

July 10, 2001

JUL 1 8 2001

Advantage Resources Inc. 1700 Sherman Street Suite 1900 Denver, CO 80203

Attention: Mr. Edward J. Ackman

RE: Exception Location

Scoffield Christiansen 8-23 SWNW-8-T12S-R7E

#### Gentlemen:

Prima Oil & Gas Company plans to drill a well in the SW/4NW/4 of Section 8, Township 12 South, Range 7 East. We have met with the surface owner who is also a Housing Developer. Our proposed location for this well falls in a planned housing development.

There is an existing plugged and abandoned location in the quarter/quarter located 652' FWL and 2071' FNL. We planned to locate the well 100' west of the existing well. The Developer has asked that we move the well west of our proposed location. This would locate the well 222' FWL and 1972' FNL. This location would be out of the planned lots in the proposed housing development. (See attached plat)

Pursuant to the Rules and Regulations of the Utah Department of Natural Resources in order to locate the well in an Exception Location, requires the consent of all owners within a 460 foot radius. (See attached plats).

Prima Oil & Gas Company hereby respectfully requests your consent to the Exception Location for the Scoffield Christiansen well located in the SW/4NW/4 of Section 8, Township 12 South, Range 7 East. If you consent to the Exception Location please sign one copy of this letter and return it to us in the enclosed envelope. If you object to this location please advise us at your earliest convenience.

Thank you for your cooperation in this matter.

Sincerely,

PRIMA OIL & GAS COMPANY

Cindi Danner, CPL

Landman

We hereby consent to the Exception Location for the Scoffield Christiansen Well located in the SW/4NW/4 of Section 8, Township 12 South, Range 7 East.

ADVANTAGE RESOURCES, INC.

Printed Name:

Title: PRESIDENT

#### Talon Resources, Inc.



#### Service, Quality and Accuracy

375 South Carbon Avenue A-10 Suite 101 Price, Utah 84501 Phone: 435-637-8781 435-637-5032 Ext 710/711 Cell: 801-650-1401 801-650-1402 Fax: 435-636-8603 Email: talon@castlenet.com

July 25, 2001

Mr. John Baza
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill—Scofield Christiansen 8-23, Carbon County, Utah 1972' FNL, 222' FWL, Section 8, T12S, R7E, SLB&M.

#### Dear Mr. Baza:

On behalf of Prima Oil and Gas Company (Prima)., Talon Resources, Inc. respectfully submits the enclosed original of the *Application for Permit to Drill (APD)* for the above referenced well. A request for exception to spacing has also been included since the well is located within 460' of the drilling unit boundary. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats and layouts of the proposed well site;

Exhibit "B" - Proposed location map with pipe, power, and road corridors;

Exhibit "C" - Drilling site layout;

Exhibit "D" - Drilling Program;

Exhibit "E" - Multi Point Surface Use Plan;

Exhibit "F" - Typical road cross-section;

Exhibit "G" - Typical BOP diagram;

Exhibit "H" - Typical wellhead manifold diagram.

Exhibit "I" - Consent to the Exception Location

JUL 27 2001

DIVISION OF OIL, GAS AND MINIME

Please accept this letter as Prima's written request for confidential treatment of all information contained in and pertaining to this application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact myself, or Mrs. Cindi Danner at Prima if you have any questions or need additional information.

Sincerely,

Don Hamilton

Environmental Manager / Project Coordinator

cc: Mr. Walt, Lunsford, Prima

Mrs. Cindi Danner, Prima Mrs. Lisa Morris, Prima

Mr. Dave Levanger, Carbon County

Prima Well File

|   | DIVISION O                           | F OIL, GAS AND M              | IINING                | 5. Lease Designation and S                | erial Number:                        |
|---|--------------------------------------|-------------------------------|-----------------------|---|--------------------------------------|
| APPLK   | CATION FOR PER                       | RMIT TO DRILL                 | OR DEEPEN             | 6. If Indian, Allottee or Tribe           | Name:                                |
| A. Type of Work: D  | RILL 🖾                               | DEEPEN 🗌                      |                       | 7. Unit Agreement Name:                   | -                                    |
|   |                                      |                               |                       | N/A<br>8. Farm or Lease Name:             | <del>-</del>                         |
| Type of Well: OIL   | GAS X OTHER:                         | SINGLE ZON                    | NE 📉 MULTIPLE ZONE    | Scofield Chr                              | ictioncon                            |
| Name of Operator:   |                                      |                               |                       | 9. Well Number:                           | ISUAIISEII                           |
| Prima Oil a   | nd Gas Company                       |                               |                       | 8-23                                      |                                      |
| Address and Telephone Nu  |                                      |                               |                       | 10. Field or Pool, or Wildcat             |                                      |
| 1099 18th S<br>Location of Well (Footages)  | t., Ste. 400, Denver                 | , CO 80202                    | 1-303-297-2300        | Wildcat  11. Qtr/Qtr, Section, Townsh     |                                      |
| At Surface: At Proposed Producing   | 1972' FNL, 222' I<br>Zone:           | FWL                           | 4464586 N<br>485310 E | SW/4 NW/4, S<br>T12S, R7E, SL             | ection 8.                            |
| . Distance in miles and direc   | tion from nearest town or post offic | 8:                            |                       | 12. County:                               | 13. State:                           |
|   | 4.5 miles north of                   | Scofield, Utah                |                       | Carbon                                    | Utah                                 |
| Distance to nearest property or lease line (feet)                                 |                                      | 16. Number of acres in lease: |                       | 17. Number of acres assigned to the       | is well:                             |
|   |                                      | 2963 955 acres                |                       | 40  |                                      |
| <ul> <li>Distance to nearest well, d<br/>completed, or applied for, or</li> </ul> | or                                   | 19. Proposed Depth:           |                       | 20. Rotary or cable tools:                |                                      |
| . Elevations (show whether  |                                      | L 6500'                       |                       | L Rotary  22. Approximate date work v     | rill start                           |
| •   | 7809' GR                             |                               |                       | August 20                                 |                                      |
| i.  |                                      | POSED CASING AN               | ND CEMENTING PR       |   |                                      |
| SIZE OF HOLE  | GRADE, SIZE OF CASING                | WEIGHT PER FOOT               | SETTING DEPTH         | QUANTITY                                  | OF CEMENT                            |
| 12-1/4"   | 9-5/8" J-55 ST&C                     | 36#                           | 1300'                 | 580 sacks Type II w/ 2% CaCl; 1.4         | 1 cu.ft / sack, 14.5 # / gal         |
| 8-1/2"  | 7" J-55 ST&C                         | 23 #                          | 5400'                 | Lead—295 sacks Prem. Lite II: 3.4         | 6 cu.ft/sack, 11.0#/gal              |
|   |                                      |                               |                       | Tail—180 sacks Prem. Lite (High:          | tr.): 1.97 cu.ft / sack_13.0 # / sal |
|   |                                      |                               |                       | one. If proposal is to drill or deepen di |                                      |

| 24. Name & Signature: Apriller a Danne                              | Cindi Danner, CPL Title: Landman                     | Date: 7-24-0 |
|---|--|--------------|
| (This space for state life only)  API Number Assigned: 43-007-30788 | Approved by the Utah Division of Oil, Gas and Mining | CONFIDENTIAL |

**ORIGINAL** 

#### Range 7 East (West 5285.28<sup>1</sup>) NE CORNER ELEV. 7722 1972' SouthCALCUATED 222' DRILL HOLE #8-23 Q ELEVATION 7809.14' **UTM** N - 440458 E - 485315 N - 4404586 Township 3308 (West 5286.6') Legend **Drill Hole Location** NOTES: **Brass Cap (Found)** I. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM. Brass Cap (Searched for, but not found) ORIGINAL Calculated Comer AT / LONG GLO 39°47'35"N **GPS Measured**

 ${\it Location:}$ 

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Bearing: The Basis of Bearing is GPS Measured.

GLO Bearing:

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

Basis of Elevation:

BASIS OF ELEVATION OF 7722' BEING AT THE NORTHEAST SECTION CORNER OF SECTION 8, TOWNSHIP 12 SOUTH, RANGE 7 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE COLTON QUADRANGLE 7.5 MINUTE

Description of Location:
PROPOSED DRILL HOLE LOCATED IN THE SWI/4, NWI/4 OF SECTION 8, TI2S, R7E, S.L.B.&M., BEING 3308.0' NORTH AND 222.0' EAST FROM THE SOUTHWEST SECTION CORNER OF SECTION 8, TI2S, R7E, SALT LAKE BASE & MERIDIAN.

#### Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.





Talon Resources, Inc. 375 South Carbon Avenue, Sulte 101 Price, Utah 84501 Ph: 435-637-8781 Fax: 435-636-8603

Prima Oil & Gas Company Scofield Christiansen #8-23 Section 8, T12S, R7E, S.L.B.&M. Carbon County, Utah

| Drawn By:<br>M. MOON | Checked By:<br>L.W.J./A.J.S. |  |  |
|----------------------|------------------------------|--|--|
| Drawing No.          | 07/1 <del>8/01</del>         |  |  |
| A-1                  | I" = 1000;                   |  |  |
| Ther. 1 or 4         | Job No.<br>362               |  |  |

111°10'17"W

GRAPHIC SCALE

( IN FEET ) 1 inch = 1000 ft.

### EXHIBIT "D" DRILLING PROGRAM

Attached to UDOGM Form 3
Prima Oil and Gas Company
Scofield Christiansen 8-23
SW4 NW/4, Sec. 8, T12S, R7E, SLB & M
1972' FNL, 222' FWL
Carbon County, Utah

#### 1. The Geologic Surface Formation

Star Point Sandstone of the Mesaverde Group

#### 2. Estimated Tops of Important Geologic Markers

| Upper Blue Gate | 500'   |
|-----------------|--------|
| Emery           | 1,300° |
| Lower Blue Gate | 3,350° |
| Ferron          | 5,400' |
| Tununk          | 5,950' |
| Dakota          | 6,200° |

#### 3. Projected Gas & Water Zones

| Emery  | 1,300' - 3,350' |
|--------|-----------------|
| Ferron | 5,400° – 5,950° |
| Dakota | 6,200' - 6,400' |

Groundwater may be encountered within the Star Point and Emery Sandstones. Water encountered will be reported on a Form 7 "Report of Water Encountered During Drilling".

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 2000 psi.

#### 4. The Proposed Casing and Cementing Programs

#### Casing Program -

| HOLE   | SETTING DEPTH | SIZE   | WEIGHT,GRADE  | CONDITION |
|--------|---------------|--------|---------------|-----------|
| SIZE   | (INTERVAL)    | (OD)   | & JOINT       |           |
| 121/4" | 1,300'        | 9-5/8" | 36# J-55 ST&C | New       |
| 8-1/2" | 5,400'        | 7"     | 23# J-55 ST&C | New       |

#### Cement Program -

Surface Casing: 580 sacks Type II w/ 2% CaCl;

Weight: 14.5 # / gal Yield: 1.41 cu.ft / sk

#### **Intermediate Casing:**

Lead -- 295 sacks Prem. Lite II

Weight: 11.0 # / gal Yield: 3.46 cu.ft / sk

Tail -- 180 sacks Prem. Lite (High Strength)

Weight: 13.0 #/gal Yield: 1.97 cu.ft/sk

#### The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

#### 5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A 10" or 11" 3,000 psi Double gate Hydraulic BOP with one (1) blind ram and one (1) pipe ram and Annular Preventer; equipped with a 3,000 psi automatic choke manifold. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Log Book. Physical operation of the BOP will be checked on each trip.

#### 6. The Type and Characteristics of the Proposed Circulating Muds

| INTERVAL        | TYPE                  | WEIGHT    | VISCOSITY |
|-----------------|-----------------------|-----------|-----------|
| 0 - 1,300'      | Freshwater gel / lime | 8.3 – 8.8 | 40 – 60   |
| 1,300' - 6,500' | Freshwater polymer    | 8.6 – 8.8 | 35 – 40   |

#### 7. The Testing, Logging and Coring Programs are as followed

#### Testing -

DST's are planned in the Emery and Ferron formations (& possibly in the Dakota). Test intervals will be determined from logs.

#### <u>Logging</u> –

Surface - TD Gamma Ray, Density, Neutron, Porosity, Induction, Caliper

#### Coring --

5 cored intervals within the Emery:

1,935' - 1,995'

2,350' - 2,410'

2,950' - 3,110'

3,110' - 3,170'

3,200' - 3,260'

3 cored intervals within the Ferron:

5,600' - 5,660'

5,710' - 5,770'

5,840' - 5,900'

#### Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in The area nor at the depths anticipated in this well. Bottom hole pressure expected is 1700 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

#### 8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled approx.: August 2001.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

### EXHIBIT "E" Multipoint Surface Use Plan

Attached to UDOGM Form 3
Prima Oil and Gas Company
Scofield Christiansen 8-23
SW4 NW/4, Sec. 8, T12S, R7E, SLB & M
1972' FNL, 222' FWL
Carbon County, Utah

#### 1. Existing Roads

- a. The proposed access road will encroach the gravel-surfaced Dry Valley Road under Carbon County Maintenance in which approval is pending. The approach will be constructed consistent with Carbon County Road specifications.
- b. We do not plan to change, alter or improve upon any other existing state or county roads. Existing roads will be maintained in the same or better condition. See Exhibit "B".
- c. An existing two-track road exists from the County Road past the plugged and abandoned well site and further into the canyon. This road will be upgraded along its existing centerline for a distance of approximately 800'.

#### 2. Planned Access

No new access is required (See Exhibit "B")

- a. Maximum Width: None
- b. Maximum grade: None
- c. Turnouts: None
- d. Drainage design: 2 18" culverts will be required along the upgraded portion of the two-track road. Water will be diverted around the road as necessary and practical.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Existing trees will be left in place where practical to provide screening and buffer areas.

#### 3. Location of Existing Wells

a. See Exhibit "B". There are no proposed and one existing well within a one mile radius of the proposed location.

#### 4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H".
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

#### 5. Location and Type of Water Supply

- a. Water to be used for drilling will be obtained from a local water source either Scofield Town (by well) or Price River Water Improvement District (a local source of municipal water) in which an agreement to purchase the water is still under negotiation.
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

#### 6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally from a private source and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

#### 7. Methods for handling waste disposal

a. As the well is expected to be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will be lined with a synthetic liner. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.

- b. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tanks until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

#### 8. Ancillary Facilities

a. We anticipate no need for ancillary facilities with the exception of trailers to be located on the drill site.

#### 9. Well-site Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of the rig, reserve and blooie pits, and drilling support equipment will be located as shown on Attachment "C".
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the blooie pit. The blooie pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

#### 10. Plans for Restoration of Surface

- All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

- d. Any oil accumulation on the pit will be removed or overhead flagged as dictated by then existed conditions.
- e. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the well-site is to be abandoned, all disturbed areas will be recontoured to the natural contour as is possible.

#### 11. Surface Ownership

a. The well-site and access road will be constructed on lands owned by Scofield Estates; Jared Brown and Mike Kendal, 3625 South Harrison Blvd. Ogden, Utah 84403; 1-801-629-3002. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

#### 12. Other Information:

- a. The primary surface use is wildlife habitat and grazing. The nearest dwelling is approximately 1.2 miles northeast. Nearest live water is unnamed creek 1,400' east.
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed, and piled downhill from the topsoil stockpile location.
- c. The back-slope and fore-slope will be constructed no steeper than 4:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations shall be on the well-site during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

#### 13. Company Representative

Cindi Danner, Landman Prima Oil and Gas, Company 1099 18<sup>th</sup> Street, Suite 400 Denver, Colorado 80202 1-303-297-2300

#### **Permitting Consultant**

Don Hamilton Environ. Man. / Proj. Coord. Talon Resources, Inc. 375 South Carbon Ave. (A-10) Price, Utah 84501 1-435-637-8781

#### Mail Approved A.P.D. To:

Company Representative

#### **Excavation Contractor**

Larry Jensen
Owner / Operator
Nelco Construction, Inc
758 South Fairgrounds Road
Price, Utah 84501
1-435-637-3495

#### 14. Certification

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by Prima Oil and Gas Company and its subcontractors in conformlty with this plan and the terms and conditions under which it is approved.

July 25, 2001

Don S. Hamilton

Don S. Hamilton

Environmental Manager / Project Coord.

Talon Resources, Inc.

### TYPICAL ROAD CROSS-SECTION

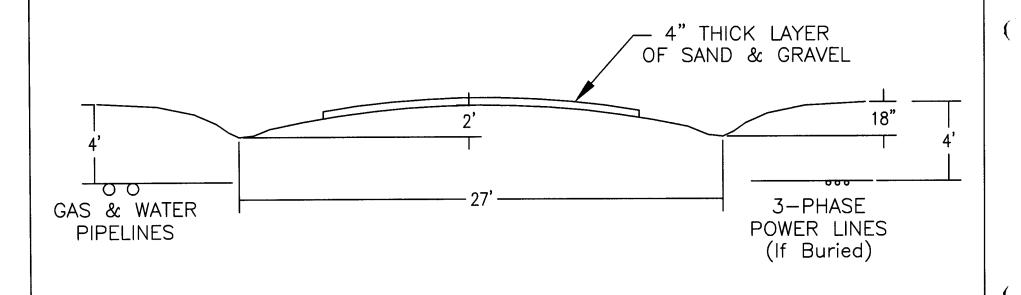
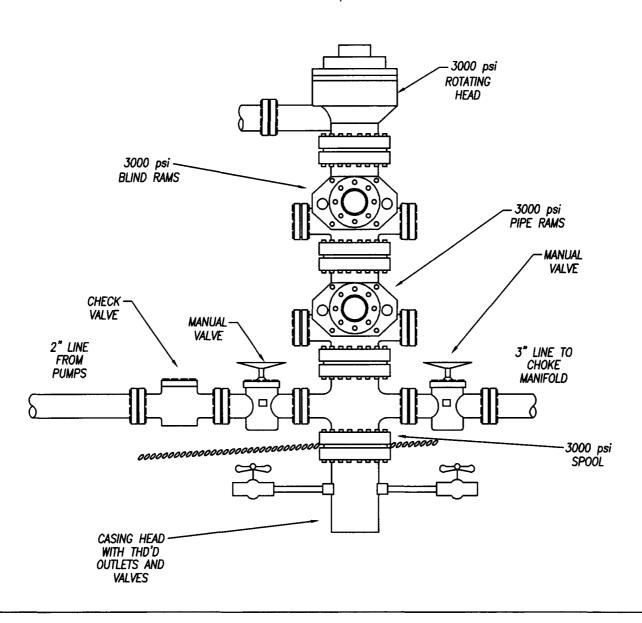


EXHIBIT "F"

# BOP Equipment 3000psi WP



XHIBIT "C

# CHOKE MANIFOLD

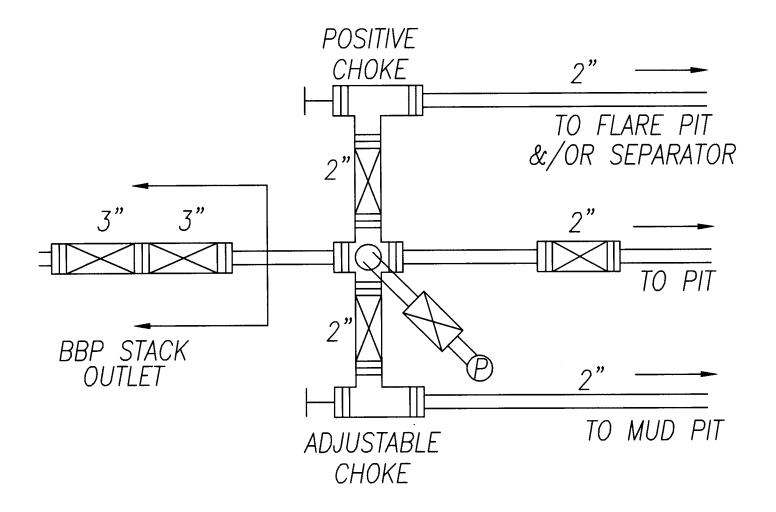
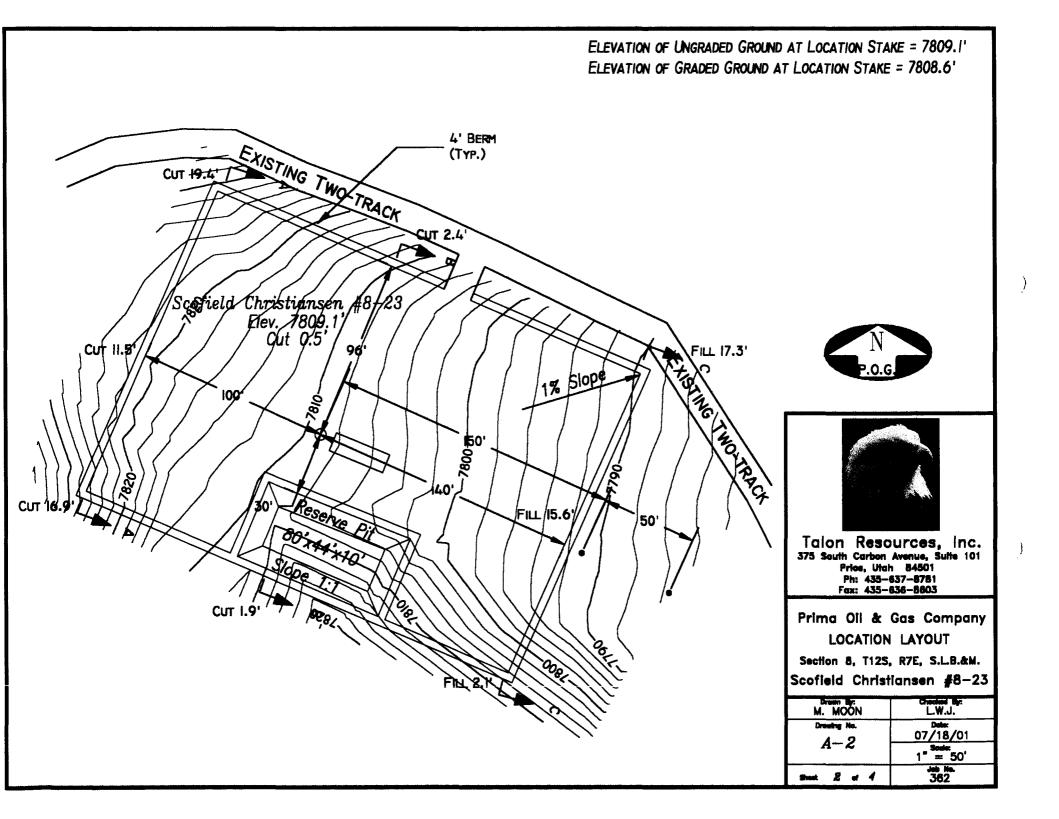
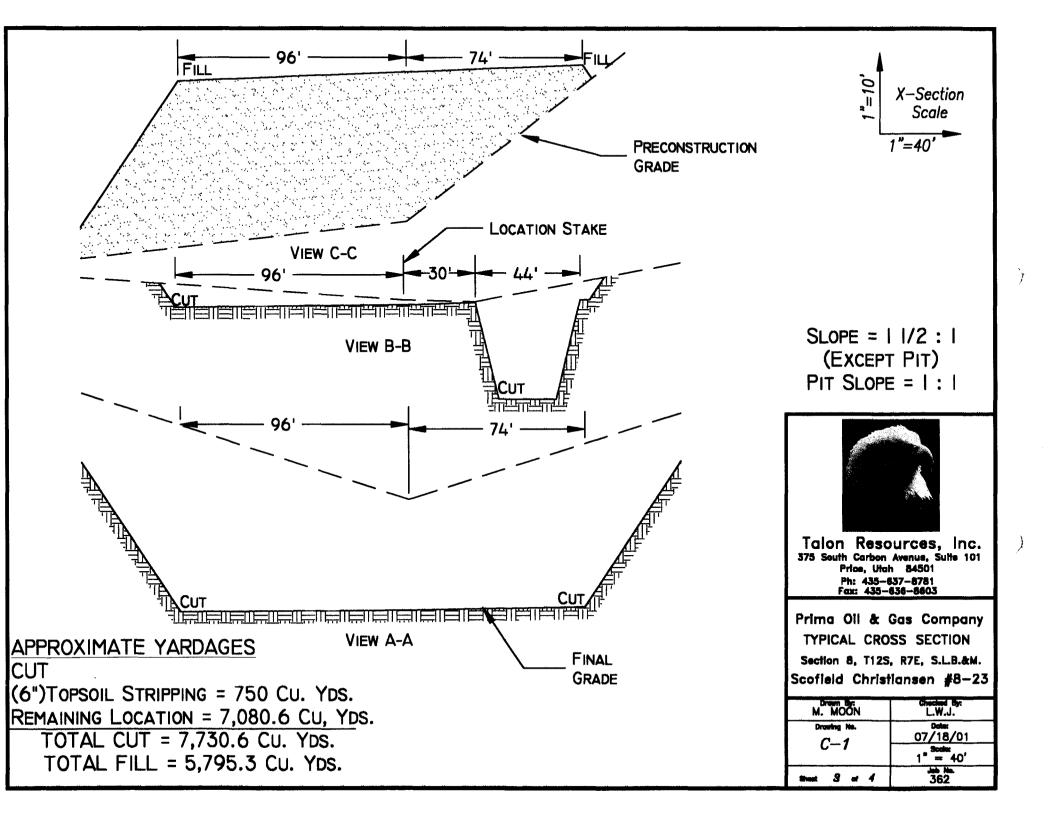
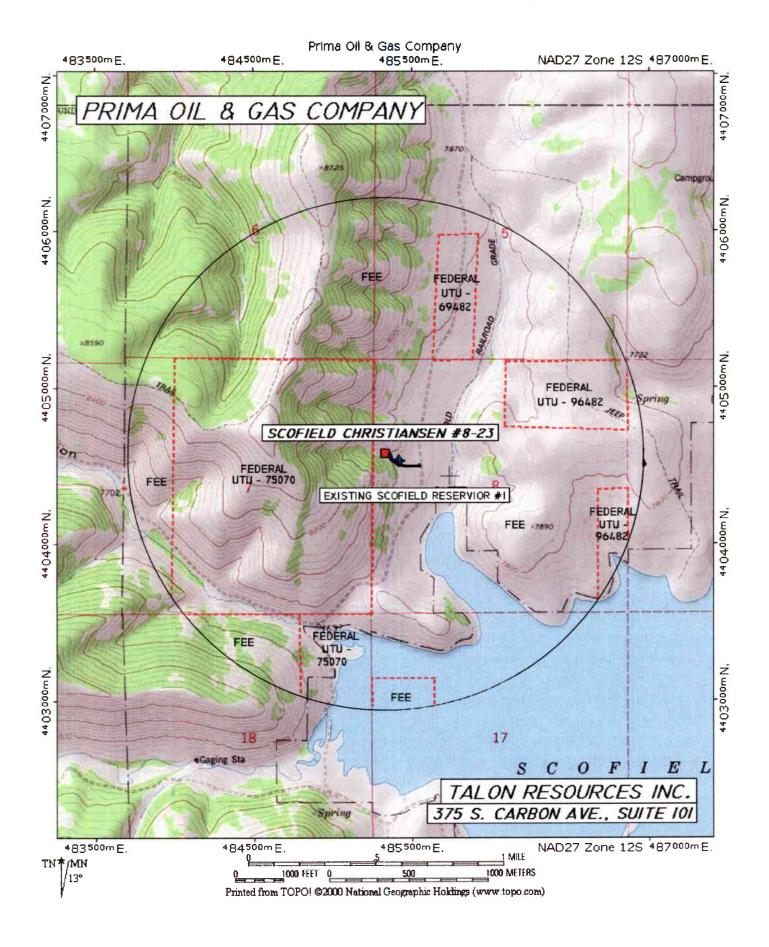
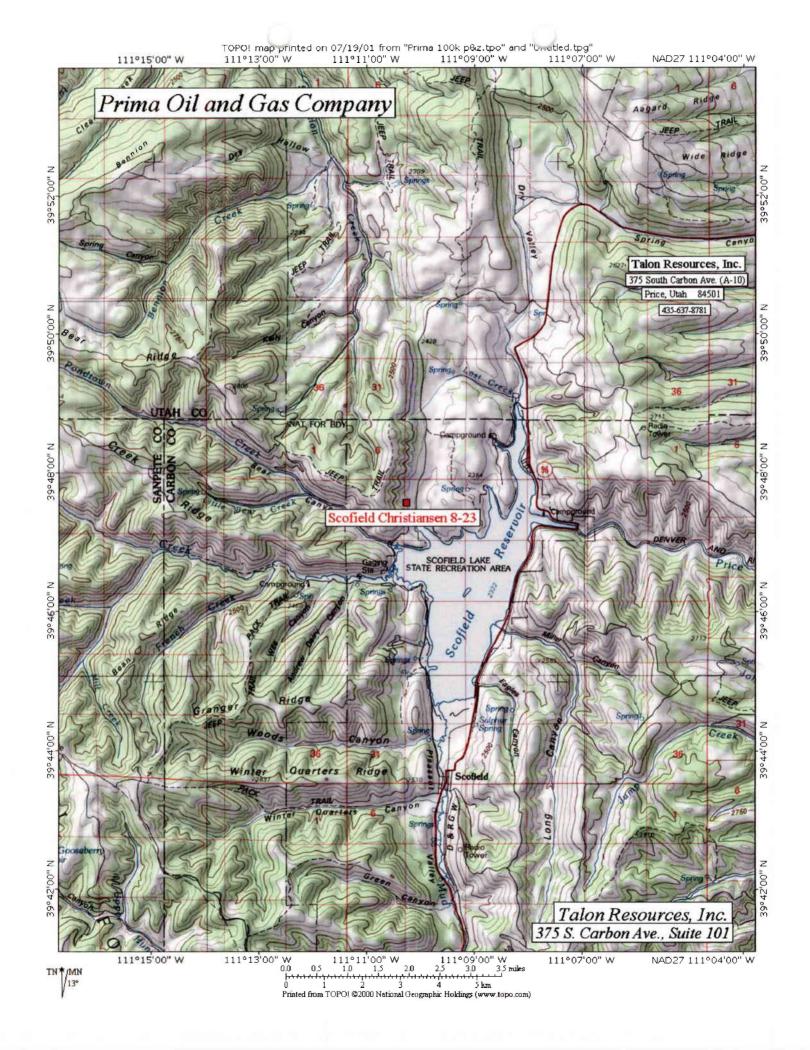


EXHIBIT "H"



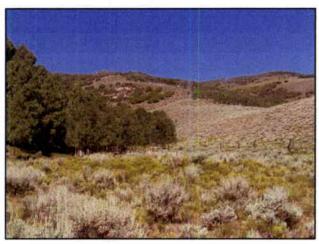






### PRIMA OIL & GAS CO.

SCOFIELD CHRISTIANSEN #8-23 LOCATED IN CARBON COUNTY, UTAH SECTION 8, TI2S, R7E, S.L.B.&M.

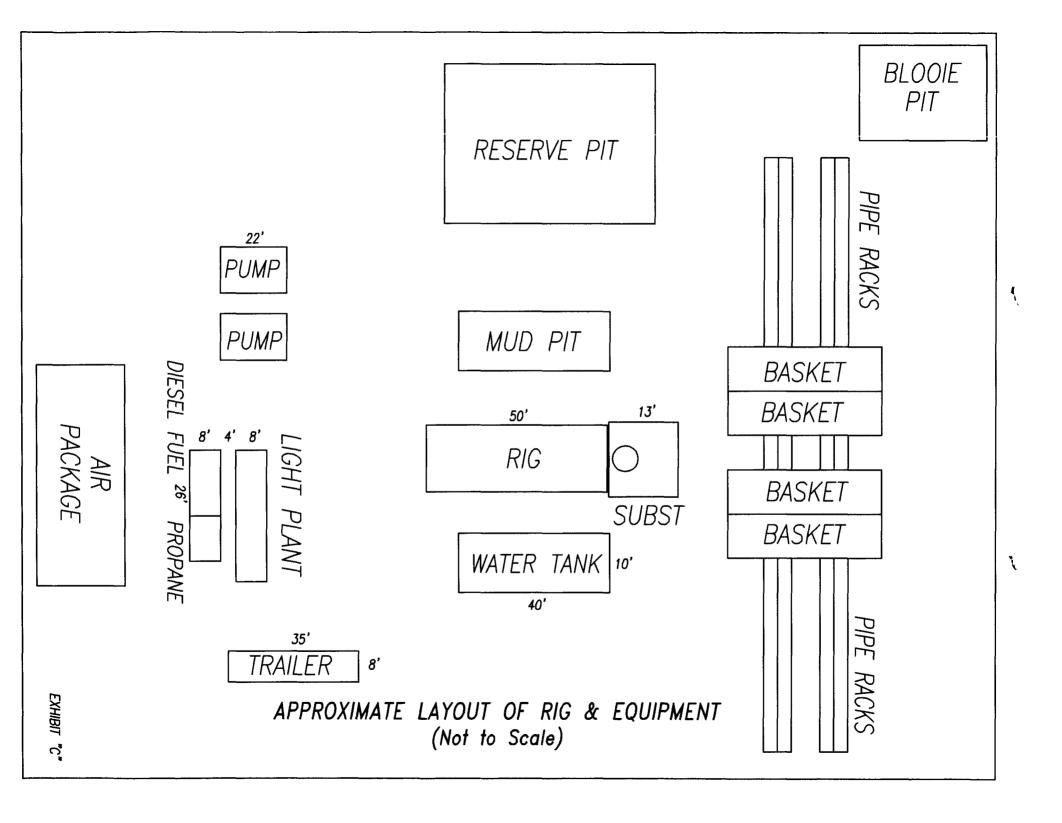


LOOKING WEST



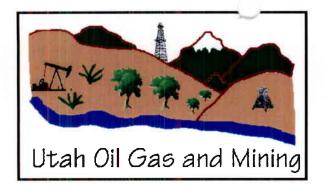
Taion Resources, inc. 375 South Carbon Avenue, Suite 101 Price, Utah 84501 Ph: 435-637-8781 LOCATION PHOTOS

P-1



### WORKSHEET APPLICATION FOR PERMIT TO DRILL

| APD RECEIVED: 07/27/2001  | API NO. ASSIGNI | ED: 43-007-307                                   | 788    |
|---|-----------------|--|--------|
| WELL NAME: SCOFIELD CHRISTIANSEN 8-23  OPERATOR: PRIMA OIL & GAS COMPANY ( N1695 )  CONTACT: CINDI DANNER   | PHONE NUMBER: 3 | 03-297-2300                                      |        |
| PROPOSED LOCATION: SWNW 08 120S 070E  | INSPECT LOCATN  | BY: /  | /      |
| SURFACE: 1972 FNL 0222 FWL  | Tech Review     | Initials   | Date   |
| BOTTOM: 1972 FNL 0222 FWL<br>CARBON   | Engineering     | DKO  | 914101 |
| WILDCAT ( 1 )   | Geology         |  |        |
| LEASE TYPE: 4 - Fee   | Surface         |  |        |
| LEASE NUMBER: FEE  SURFACE OWNER: 4 - Fee  PROPOSED FORMATION: FRSD   |                 |  |        |
| Plat Bond: Fed[] Ind[] Sta[] Fee[4] (Nc. 04127699 ) Potash (Y/N) N Off Shale 190-5 (B) or 190-3 or 190-13 Water Permit (Nc. MUNICIPAL ) RDCC: Review (Y/N) (Date: Communes due 8-16-0) Fee Surf Agreement (Y/N) | R649-3-2. 0     | Jnit General rom Qtr/Qtr & 920  Acception; t No: |        |
| STIPULATIONS: Ned Presite (8-21-01)   |                 |  |        |
|   |                 |  |        |



OPERATOR: PRIMA OIL AND GAS (N1695)

SEC. 8, T12S, R7E

FIELD: WILDCAT (001)

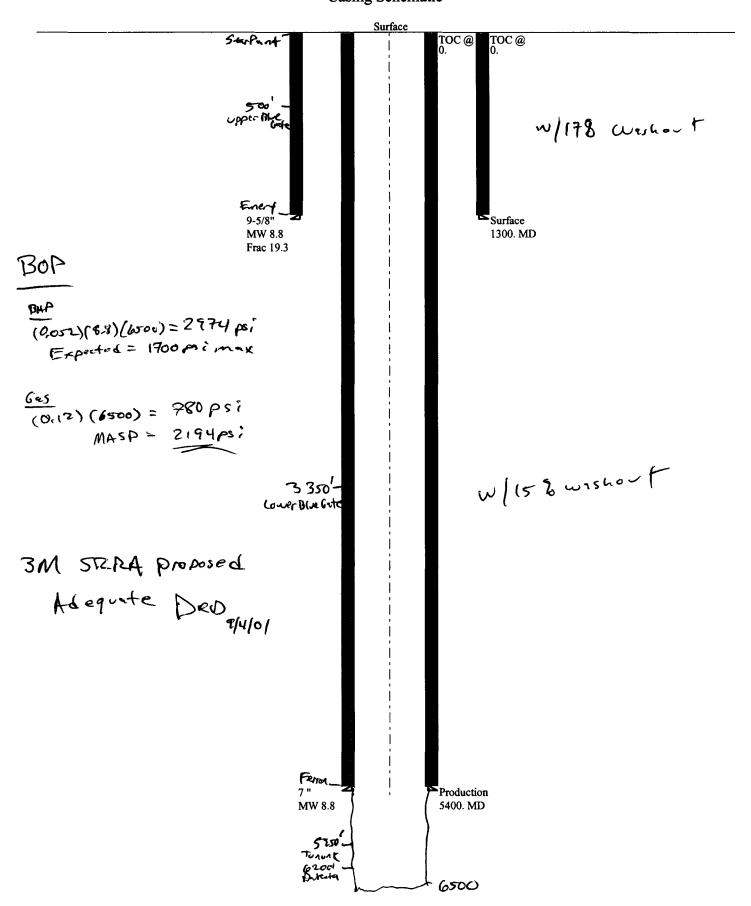
COUNTY: CARBON SPACING: R649-3-3/EX LOC

| T12S R7E | -5                         | 4  |
|----------|----------------------------|----|
|          | SCOFIELD CHRISTIANSEN 8-23 | 9  |
| 18       | 17                         | 16 |

PREPARED BY: LCORDOVA DATE: 6-AUGUST-2001

# -01 Prima Scofield Christian - n 8-23 Casing Schematic

3.2



Well name:

09-01 Prima Scofield Christiansen 8-23

Operator:

Prima Oil & Gas Company

Surface String type:

Project ID:

43-007-30788

Location:

**Carbon County** 

Design parameters: Minimum design factors: **Environment:** 

Collapse

Mud weight: Design is based on evacuated pipe. Collapse:

Design factor 1.125 H2S considered?

Surface temperature:

No 65 °F 83 °F

Bottom hole temperature: Temperature gradient:

1.40 °F/100ft

Minimum section length:

200 ft

**Burst:** 

Design factor

1.00

1,131 ft

Cement top:

Surface

**Burst** 

Max anticipated surface

No backup mud specified.

pressure:

0 psi

8.800 ppg

Internal gradient: 0.457 psi/ft Calculated BHP

594 psi

**Tension:** 

Neutral point:

8 Round STC: 1.80 (J) 8 Round LTC: 1.80 (J)

**Buttress:** 1.60 (J) Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on air weight.

Re subsequent strings:

Non-directional string.

Next setting depth: 5,400 ft Next mud weight: 8.800 ppg Next setting BHP: 2,469 psi

Fracture mud wt: Fracture depth: Injection pressure

19.250 ppg 1,300 ft 1,300 psi

| Run<br>Seq | Segment<br>Length<br>(ft) | Size<br>(in)         | Nominal<br>Weight<br>(lbs/ft) | Grade         | End<br>Finish     | True Vert<br>Depth<br>(ft) | Measured<br>Depth<br>(ft) | Drift<br>Diameter<br>(in) | Internal<br>Capacity<br>(ft³) |
|------------|---------------------------|----------------------|-------------------------------|---------------|-------------------|----------------------------|---------------------------|---------------------------|-------------------------------|
| 1          | 1300                      | 9.625                | 36.00                         | J-55          | ST&C              | 1300                       | 1300                      | 8.796                     | 92.6                          |
| Run<br>Seq | Collapse<br>Load          | Collapse<br>Strength | Collapse<br>Design            | Burst<br>Load | Burst<br>Strength | Burst<br>Design            | Tension<br>Load           | Tension<br>Strength       | Tension<br>Design             |
|            | (psi)                     | (psi)                | Factor                        | (psi)         | (psi)             | Factor                     | (Kips)                    | (Kips)                    | Factor                        |
| 1          | 50/                       | 2020                 | 3 40                          | 50/           | 3520              | 5 92                       | 47                        | 304                       | 8 42 I                        |

Prepared

**Dustin Doucet** 

**Utah Dept. of Natural Resources** 

Phone: 801-538-5281 FAX: 801-359-3940

Date: September 4,2001 Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE** 

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension. Collapse is based on a vertical depth of 1300 ft, a mud weight of 8.8 ppg The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.

Well name:

09-01 Prima Scofield Christiansen 8-23

Minimum design factors:

Operator:

Prima Oil & Gas Company

String type:

**Production** 

Project ID:

Location:

**Carbon County** 

43-007-30788

**Environment:** 

Design parameters:

**Collapse** 

Mud weight:

8.800 ppg Design is based on evacuated pipe.

Collapse: Design factor

1.125

H2S considered?

No Surface temperature:

65 °F Bottom hole temperature: 141 °F Temperature gradient: 1.40 °F/100ft

Minimum section length:

Non-directional string.

368 ft

Burst:

Design factor

1.00

Cement top:

Surface

Burst

Max anticipated surface

pressure:

0 psi

Internal gradient: Calculated BHP

0.457 psi/ft 2.468 psi

No backup mud specified.

**Tension:** 

8 Round STC: 8 Round LTC:

**Buttress:** Premium:

Body yield:

1.80 (J)

1.80 (J) 1.60 (J)

1.50 (J) 1.50 (B)

Tension is based on air weight. Neutral point: 4.685 ft

Run Segment Nominal End True Vert Measured Drift Internal Length Size Weight Grade Finish Depth Depth Diameter Capacity Seq (in) (lbs/ft) (ft) (ft) (in) (ft³) (ft) 249.6 23.00 ST&C 5400 5400 6.25 1 5400 J-55 Run Collapse Collapse Collapse **Burst** Burst **Burst Tension** Tension Tension Load Strength Design Load Strength Design Load Strength Design Seq **Factor Factor** (Kips) **Factor** (psi) (psi) (psi) (psi) (Kips) 1 2468 3270 1.32 2468 4360 1.77 124 284 2.29 J

Prepared

**Dustin Doucet** 

Utah Dept. of Natural Resources

Phone: 801-538-5281 FAX: 801-359-3940

Date: September 4,2001 Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE** 

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 5400 ft, a mud weight of 8.8 ppg. The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.

#### **DIVISION OF OIL, GAS AND MINING**

APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

Operator Name: Prima Oil and Gas Company

Name & Number: Scofield Christiansen 8-23

**API Number:** 43-007-30788

Location: 1/4,1/4 <u>SWNW</u> Sec. <u>8</u> T. <u>12S</u> R.<u>7E</u>

#### Geology/Ground Water:

The location is on the east side of a horst block splinter about 750' west of a major north – south trending normal fault, which bounds the west side of the graben depression containing Scofield Reservoir. A thin organic rich but rather permeable sandy and silty soil is developed on the slopes around the location. The soil is thicker in the draw accommodating the location. The strata exposed at the surface are part of the upper Blackhawk Formation. Several sands are described lower in that formation. In addition, other well developed, named sandstones of member status are the Star Point and Emery Sandstones. These sundry permeable and potentially fractured sandstones are very likely to contain high quality ground water resources and should be protected by a carefully engineered surface casing program in conjunction with benign drilling fluid systems. The two last named sandstones are likely to be particularly well developed in this area. Wireline logs, from the nearby P&A'd location (4300730056 – about 460' east), present a regular sequence of variously thick Cretaceous sandstones until the lower portion of the Blue Gate Member of the Mancos Shale is encountered at about 3,300'. The surface casing and drilling fluid programs proposed by the operator should meet these criteria.

Reviewer: Christopher J. Kierst Date: 8/29/01

#### Surface:

The nearest moving surface waters are ~1400' east in unnamed creek. Three shallow water wells exist within a mile of the location and all are southwest to south-southwest. Other water rights within a mile are found on several springs and on Pondtown Creek. Scofield Reservoir is located ~2000' SE of proposed site and the location drains toward the reservoir. Precipitation will be deflected around the location with berms and culverts. The site was characterized and photographed on 8/21/2001. Provisions were made to ensure site rehabilitation, litter and waste control, preservation of drainage patterns and the integratity of local infrastructure, groundwater and other resources.

Reviewer: Mark L. Jones Date: August 27, 2001

#### **Conditions of Approval/Application for Permit to Drill:**

- 1) Culverts sufficient to manage expected runoff, standing and surface water in crossed drainages.
- 2) Diversion of runoff around and off the location with armored ditching following the access road with water turnouts in appropriate places.
- 3) Berm location and pit.
- 4) A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit..

#### ON-SITE PREDRILL EVALUATION

#### Division of Oil, Gas and Mining

| OPERATOR: Prima Oil and Gas Company   |
|---|
| WELL NAME & NUMBER: Scofield Christiansen 8-23  |
| API NUMBER: 43-007-30788  |
| LEASE: <u>FEE</u> FIELD/UNIT: <u>Wildcat</u><br>LOCATION: 1/4,1/4 <u>SWNW</u> Sec: <u>8</u> TWP: <u>12S</u> RNG: <u>7E</u> <u>1972'</u> F <u>N</u> L <u>222'</u> F <u>W</u> L   |
| LEGAL WELL SITING: From a Unit Boundary and/or uncommitted tracts.  |
| GPS COORD (UTM): X = 507,939; Y = 4,375,310 (UTM from surveyor)  X = 485,309; Y = 4,404,577 (Magellan field reading)  |
| SURFACE OWNER: Scofield Estates; Jared Brown and Mike Kendal  |
| PARTICIPANTS  M. Jones and C. Kierst (DOGM), Don Hamilton and Allen Childs Talon),  Neil Frandsen (NELCO). Jared Brown was notified but did not attend the onsite.  |
| REGIONAL/LOCAL SETTING & TOPOGRAPHY  The proposed location is ~4.5 miles North of Scofield, Utah. An old well which is PA is located ~400' E of proposed location at GPS coordinates X= 4404557 Y= 485442 (UTM). Terrain slopes toward county maintained road and a flowing (unidentified) creek ~1400' to the East which is a tributary to Scofield Reservoir ~2000' SE of proposed location site. Site is at the mouth of a small canyon running East/West from a mountain range running North and South. |
| SURFACE USE PLAN CURRENT SURFACE USE: Wildlife habitat and grazing  |
| PROPOSED SURFACE DISTURBANCE 240' X 170' pad included within will be a 80' X 44' X 10' pit. Access road (~800') will be along existing two-track and will be upgraded using the existing centerline.  |
| LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 1 PA well ~400' SE of proposed well.   |
| LOCATION OF PRODUCTION FACILITIES AND PIPELINES: N/A  |
| SOURCE OF CONSTRUCTION MATERIAL: <u>Any necessary construction</u> materials needed will be obtained locally from a private source.   |
| ANCILLARY FACILITIES: N/A   |
|   |

#### WASTE MANAGEMENT PLAN:

Portable chemical toilets, which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into dumpsters and eventually emptied in approved landfill. Drilling fluid, completion/frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Used oil from drilling and support operations will be hauled to a used oil recycler.

#### ENVIRONMENTAL PARAMETERS

| AFFECTED FLOODPLAINS AND/OR WETLANDS: Unnamed creek is ~1400 E of   |
|---|
| <pre>proposed site. Scofield Reservoir is located ~2000' SE of proposed site.</pre>   |
| FLORA/FAUNA: <u>Sagebrush, native grasses, quaking aspen, pine trees, elk, deer, rodents, and other wildlife and birds.</u>   |
| SOIL TYPE AND CHARACTERISTICS: Moderately permeable clay loam   |
| SURFACE FORMATION & CHARACTERISTICS: <u>Location will be built mostly on alluvium in a small drainage. Two lobes on North and South of location showing Starpoint sandstone outcroppings.</u> |
| EROSION/SEDIMENTATION/STABILITY: stable.  |
| PALEONTOLOGICAL POTENTIAL: None observed.   |
| RESERVE PIT   |
| CHARACTERISTICS: Dugout, earthen pit, as above.   |
| LINER REQUIREMENTS (Site Ranking Form attached): Synthetic liner.   |
| SURFACE RESTORATION/RECLAMATION PLAN  |
| As per landowners stipulations.   |
| SURFACE AGREEMENT: YES?   |
| CULTURAL RESOURCES/ARCHAEOLOGY: None required by landowner.   |
| OTHER OBSERVATIONS/COMMENTS   |
|   |
|   |
| ATTACHMENTS:  |
| 4 photos taken.   |
|   |

Mark L. Jones
DOGM REPRESENTATIVE

8/21/2001 / 10:45 a.m. DATE/TIME

#### Evaluation Ranking Criteria and Ranking Score For Reserve and Onsite Pit Liner Requirements

| Site-Specific Factors                  | Ranking  | Site Ranking |
|--|----------|--------------|
| Distance to Groundwater (feet)         |          |              |
| >200<br>100 to 200                     | 0<br>5   |              |
| 75 to 100                              | 10       |              |
| 25 to 75                               | 15       |              |
| <25 or recharge area                   | 20       | _5_          |
| Distance to Surf. Water (feet)         |          |              |
| >1000                                  | 0        |              |
| 300 to 1000                            | 2        |              |
| 200 to 300<br>100 to 200               | 10<br>15 |              |
| < 100                                  | 20       | _2_          |
| Distance to Nearest Municipal          |          |              |
| Well (feet)                            |          |              |
| >5280                                  | 0        |              |
| 1320 to 5280<br>500 to 1320            | 5<br>10  |              |
| <500                                   | 20       | 0            |
|  |          |              |
| Distance to Other Wells (feet) >1320   | 0        |              |
| 300 to 1320                            | 10       |              |
| <300                                   | 20       | _10_         |
| Native Gail Mana                       |          |              |
| Native Soil Type<br>Low permeability   | 0        |              |
| Mod. permeability                      | 10       |              |
| High permeability                      | 20       | 10           |
|  |          |              |
| Fluid Type                             |          |              |
| Air/mist                               | 0        |              |
| Fresh Water<br>TDS >5000 and <10000    | 5<br>10  |              |
| TDS >10000 or Oil Base Mud Fluid       | 15       |              |
| containing significant levels of       |          |              |
| hazardous constituents                 | 20       | _5_          |
| Drill Cuttings                         |          |              |
| Normal Rock                            | 0        |              |
| Salt or detrimental                    | 10       | _0_          |
|  |          |              |
| Annual Precipitation (inches)          | •        |              |
| <10                                    | 0<br>5   |              |
| 10 to 20 >20                           | 10       | 5            |
|  |          | <del></del>  |
| Affected Populations                   | 0        |              |
| <10<br>10 to 30                        | 0<br>6   |              |
| 30 to 50                               | 8        |              |
| >50                                    | 10       | _0_          |
| Presence of Nearby Utility<br>Conduits |          |              |
| Not Present                            | 0        |              |
| Unknown                                | 10       |              |
| Present                                | 15       | 0            |
|  |          |              |

Final Score 37 (Level I Sensitivity)









## UTAH DIVISION OF WATER RIGHTS WATER RIGHT POINT OF DIVERSION PLOT CREATED WED, AUG 29, 2001, 3:45 PM PLOT SHOWS LOCATION OF 13 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET FROM A POINT S 1972 FEET, E 222 FEET OF THE NW CORNER, SECTION 8 TOWNSHIP 12S RANGE 7E SL BASE AND MERIDIAN

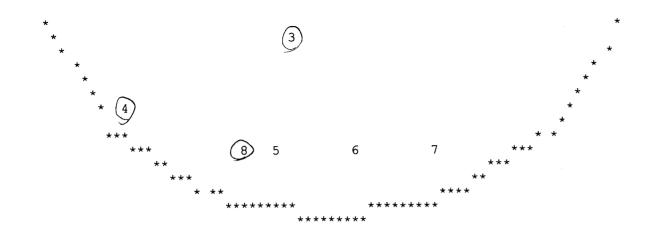
PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FEET

2

NORTH

8/29/2001 4:41 PM

\*1



UTAH DIVISION OF WATER RIGHTS
NWPLAT POINT OF DIVERSION LOCATION PROGRAM

| MAP        | WATER  | <br>AUO                                     | <br>NTITY      | SOURCE D             | ESCRIPTION | or WELL IN | IFO  | POINT OF | DIVERSION D       | ESCRIP | TION     |
|------------|--------|---|----------------|----------------------|------------|------------|------|----------|-------------------|--------|----------|
| CHAR       | RIGHT  |   | D/OR AC-FT     | DIAMETER             | DEPTH      | YEAR LOC   | NORT | H EAST   | CNR SEC           | TWN    | RNG B&M  |
| 0 5        |        | .0110<br>WATER USE(S): D<br>Christensen, R. | OMESTIC        | Spring               |            |            |      |          | PRIORITY<br>Fairv |        | 00/00/18 |
| 1 <u>9</u> | 1 2247 | .0000 WATER USE(S): S Christensen, R.       | TOCKWATERING   | Pontown C            | reek       |            |      |          | PRIORITY<br>Fairv |        | 00/00/18 |
| 2 <u>9</u> | 1 3568 | .0220 WATER USE(S): D Christensen, R.       | OMESTIC STOCKW | Spring St<br>ATERING | ream       |            |      |          | PRIORITY          | DATE:  | 00/00/18 |
| 2 <u>9</u> | 1 3568 | .0220 WATER USE(S): D Christensen, R.       | OMESTIC STOCKW |                      | ream       |            |      |          | PRIORITY          | DATE:  | 00/00/18 |

| 2       | 91 3567            | .0220<br>WATER USE(S): DOMESTIC ST<br>Christensen, Eva P.             | OCKWATERING                 | ring PRIORITY DATE: 00/00/18 Continental Bank Building Salt Lake City   |   |
|---------|--------------------|---|-----------------------------|---|---|
| 2       | 91 3567            | .0220 WATER USE(S): DOMESTIC ST Christensen, Eva P.                   | OCKWATERING                 | ring PRIORITY DATE: 00/00/18 Continental Bank Building Salt Lake City   |   |
| 3<br>Wa | a24651<br>Tes well | WATER USE(S): IRRIGATION Price River Water User's                     | 2.00 6 DOMESTIC Association | 100 - 300 N 1120 W 400 SE 07 12S 7E SL PRIORITY DATE: 06/20/20 90 North 100 East #1 Price Price                                   |   |
|         | a25133             | WATER USE(S): IRRIGATION  | DOMESTIC                    | 100 - 500 S 36 E 1956 NW 18 12S 7E SL<br>PRIORITY DATE: 12/07/20<br>3625 South Harrison Blvd. Ogden<br>90 North 100 East #1 Price | ) |
| 5       | 91 2247            | .0000 WATER USE(S): STOCKWATERI Christensen, R. H.                    |                             | eek PRIORITY DATE: 00/00/18 Fairview  |   |
| 6       | 91 3902            | .0000 WATER USE(S): Madsen, Della L. & Hilda                          |                             | (Scofield Reservoir PRIORITY DATE: 00/00/18   |   |
| 6       | 91 3901            | .0000 WATER USE(S): Watts, Louise M. Watts, Helen L. Watts, John Andy | .00 Fish Creek              | & Pontown Creek (Sc PRIORITY DATE: 00/00/18   |   |
| 7       | 91 3902            | .0000<br>WATER USE(S):<br>Madsen, Della L. & Hilda                    |                             | (Scofield Reservoir PRIORITY DATE: 00/00/18   | ) |
| wate    | a25132<br>1 well   | WATER USE(S) · TRRIGATION   | DOMESTIC                    | 100 - 500 S 727 W 1323 NE 18 12S 7E SL PRIORITY DATE: 12/07/20 3625 South Harrison Blvd. Ogden 90 North 100 East #1 Price         |   |

# STATE OF UTAH

| D  | NVISION∣OF OIL, GAS A                                | AND MINING  |  |  |  |
|--|--|---|--|--|--|
|  | ·  |   | 5. Lease Designation and Serial Number:  |  |  |
| SI INDRY NO  | TICES AND REPOR                                      | TO ON WELLS   | Fee 6. If Indian, Allottee or Tribe Name:  |  |  |
| SUNDKI NO  | I ICES AND REPOR                                     | 13 ON WELLS   | N/A  |  |  |
| Do not use this form for proposals to  | 7. Unit Agreement Name:                              |   |  |  |  |
| Use APPLICATION  | N/A  8. Well Name and Number:                        |   |  |  |  |
| 1. Type of Well: OIL GAS 10  | OTHER:   |   | Scofield Christiansen 8-23   |  |  |
| 2. Name of Operator:   | <del></del>  |   | 9. API Well Number:  |  |  |
|  | Oil and Gas Company.                                 |   |  |  |  |
| 3. Address and Telephone Number:   |  |   | 10. Field or Pool, or Wildcat: Wildcat   |  |  |
| 4. Location of Well  | 8th St. Ste 400. Denver, CO                          | 0 80202 1-303-297-2300                                  | Wildcat  |  |  |
| Footages: 1972' FNL, 22  | 22' FWL  |   | County: Carbon   |  |  |
| QQ, Sec., T., R., M.:<br>SW/4 NW/4, S  | Section 8, T12S, R7E, SLE                            | 3&M   | State: Utah  |  |  |
| 11. CHECK APPROPI  | RIATE BOXES TO INDIC                                 | CATE NATURE OF NOTICE,                                  | , REPORT, OR OTHER DATA  |  |  |
| NOTICE   | E OF INTENT  |   | SUBSEQUENT REPORT  |  |  |
|  | ft in Duplicate)                                     |   | (Submit Original Form Only)  |  |  |
| ☐ Abandon  | □ New Construction                                   | ☐ Abandon *   | □ New Construction   |  |  |
| ☐ Repair Casing  | ☐ Pull or Alter Casing                               | ☐ Repair Casing   | □ Pull or Alter Casing   |  |  |
| ☐ Change of Plans  | <ul><li>☐ Recomplete</li><li>☐ Reperforate</li></ul> | ☐ Change of Plans☐ Convert to Injection                 | ☐ Reperforate on ☐ Vent or Flare   |  |  |
| ☐ Convert to Injection ☐ Fracture Treat or Acidize                                   | ☐ Vent or Flare                                      | ☐ Fracture Treat or                                     | _ : -::::::::::::::::::::::::::::::::::  |  |  |
| ☐ Multiple Completion  | □ Water Shut-Off                                     |   | est for Exception to State Spacing   |  |  |
| ☐ Other  |  | Date of work completi                                   |  |  |  |
| Approximate date work will start   |  | S   |  |  |  |
|  |  |   | ple Completions and Recompletions to different reservoirs on WELL PLETION REPORT AND LOG form.   |  |  |
|  |  | * Must be accompanied by a                              | cament verification report.  |  |  |
| 12. DESCRIBE PROPOSED OR COMPLETED vertical depths for all markers and zones perting |  | nt details, and give pertinent dates. If well is dire   | ctionally drilled, give subsurface locations and measured and true   |  |  |
| Totalous dopard for all illustrate data active portain                               | on to the work,                                      |   |  |  |  |
| Degreet for exem   | tion to engoing (state                               | spacing rules) based on t                               | onogranhy  |  |  |
| Request for excep  | stion to shacing (zrate                              | spacing rules) based on t                               | opograpny.   |  |  |
| The well is leaster  | l within 160° of the di                              | rilling unit boundary. Th                               | ne offset lease-hold operator,   |  |  |
|  |  | •   | Exception Location which   |  |  |
|  |  | provided consent to the r<br>ation for your review as I |  |  |  |
| nas deen a   | tracned to this applies                              | ation for your review as r                              | Exhibit "1".   |  |  |
|  |  |   |  |  |  |
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| 13.  | $\wedge$   |   |  |  |  |
| Name & Signature: ( ) on the w   | $\rho$   |   | 5 m  |  |  |
| Name & Signature:  | M James  | Cindi Danner, CPL Title: La                             | ndman Date: 7-24-0/  |  |  |

ORIGINAL

# STATE ACTIONS State Clearinghouse Coordinator 116 State Capitol, SLC, UT 84114 538-1535

| Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801  | 2. State Application Identifier Number: (assigned by State Clearinghouse) |
|---|---|
|   | 3. Approximate date project will start: Upon Approval                     |
| 4. Areawide clearinghouse(s) receiving state action: (to be sent  | · · · · · · · · · · · · · · · · · · ·                                     |
| Southeastern Utah Association of Governments  |   |
| 5. Type of action: //Lease /X/Permit //License //L  | and Acquisition   |
| / / Land Sale / / Land Exchange / / Other   |   |
| 6. Title of proposed action:  |   |
| Application for Permit to Drill   |   |
| 7. Description:   |   |
| Prima Oil & Gas Company proposes to drill the Scofield Christ Utah. This action is being presented to the RDCC for considera Division of Oil, Gas and Mining is the primary administrative a operations commence. | ation of resource issues affecting state interests. The                   |
| 8. Land affected (site location map required) (indicate county)   |   |
| SW/4, NW/4, Section 8, Township 12 South, Range 7 East, Ca  | rbon County, Utah   |
| 9. Has the local government(s) been contacted? No   |   |
| 10. Possible significant impacts likely to occur:   |   |
| Degree of impact is based on the discovery of oil or gas in co  | -   |
| 11. Name and phone of district representative from your agency  | near project site, if applicable:   |
| 12. For further information, contact:   | 13. Signature and title of authorized officer                             |
| Lisha Cordova<br>Phone: (801) 538-5296  | John R. Baza, Associate Director  Date: August 1, 2001                    |

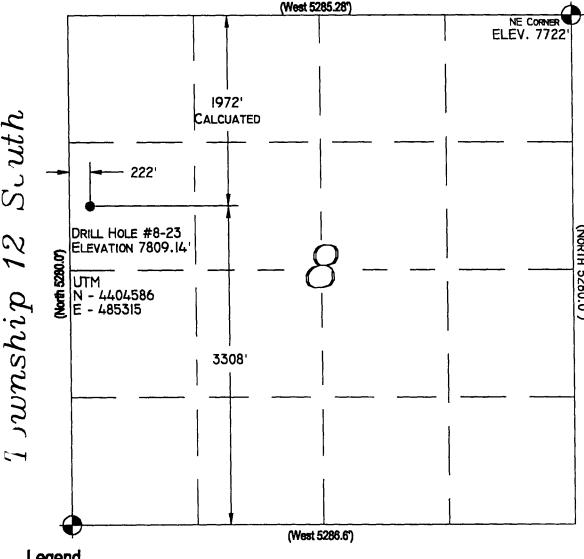
| CADM   | 2 |
|--------|---|
| - Orum | J |

# STATE OF UTAH

| DIVISION OF OIL, GAS AND MINING   |  |                                 | 5. Lease Designation and S            | 5. Lease Designation and Serial Number:   |   |  |  |
|---|--|---------------------------------|---------------------------------------|---|---|--|--|
|   |  |                                 |                                       | Fee                                       |   |  |  |
| ADDI 1  | CATION EOD DEI                         | 6. If Indian, Allottee or Tribe | 6. If Indian, Allottee or Tribe Name: |   |   |  |  |
| APPLICATION FOR PERMIT TO DRILL OR DEEPEN                                       |  |                                 |                                       | N/A                                       |   |  |  |
| 1A. Type of Work: DRILL 🖾   |  | DEEPEN 🗆                        |                                       | 7. Unit Agreement Name:                   |   |  |  |
|   |  |                                 | - 67                                  | N/A 8. Farm or Lease Name:                |   |  |  |
| B. Type of Well: OIL  | GAS X OTHER:                           | SINGLE ZON                      | E MULTIPLE ZONE                       | Scofield Chr                              | rigtiangen  |  |  |
| . Name of Operator:   |  |                                 |                                       | 9. Well Number:                           | 1.31 (0.11.3)   |  |  |
| Prima Oil a   | nd Gas Company                         |                                 | ·                                     | 8-23                                      |   |  |  |
| . Address and Telephone Nu  |  |                                 |                                       | 10. Field or Pool, or Wildcat             | :   |  |  |
| . Location of Well (Footages  | St., Ste. 400, Denver                  | , CO 80202                      | 1-303-297-2300                        |   | Wildcat  11. Qtr/Qtr, Section, Township, Range, Meridian: |  |  |
| At Surface: At Proposed Producing   | 1972' FNL, 222' I                      |                                 | 04586 N<br>185310 E                   | SW/4 NW/4, S<br>T12S, R7E, SL             |   |  |  |
| 4. Distance in miles and dire   | ction from nearest town or post office | <b>3</b> :                      | <del></del>                           | 12, County:                               | 13. State:  |  |  |
|   | 4.5 miles north of                     | Scofield Utah                   |                                       | Carbon                                    | Utah  |  |  |
| 5. Distance to nearest property or lease line (feet)                            | <b>)</b>                               | 16. Number of acres in lease:   |                                       | 17. Number of acres assigned to the       |   |  |  |
|   | 222'                                   | 2963 955 acres                  | - <del></del>                         | 40  |   |  |  |
| <ol><li>Distance to nearest well, d<br/>completed, or applied for, or</li></ol> | or .                                   | 19. Proposed Depth:             |                                       |   | 20. Rotary or cable tools:                                |  |  |
| Elevations (show whether  | 441<br>DF. RT. GR. etc.):              | 6500'                           |                                       | L Rotary                                  | Rotary  22. Approximate date work will start:             |  |  |
| ,   | 7809' GR                               |                                 |                                       | August 2001                               |   |  |  |
| 3.  |  | OSED CASING AN                  | D CEMENTING PR                        | OGRAM                                     | <i>W</i> 1  |  |  |
| SIZE OF HOLE  | GRADE, SIZE OF CASING                  | WEIGHT PER FOOT                 | SETTING DEPTH                         | <del></del>                               | OF CEMENT   |  |  |
|   |  |                                 |                                       |   |   |  |  |
| 12-1/4"   | 9-5/8" J-55 ST&C                       | 36#                             | 1300'                                 | 580 sacks Type II w/ 2% CaCl, 1.4         |   |  |  |
| 8-1/2"  | 7" J-55 ST&C                           | 23 #                            | 5400'                                 | Lead-295 sacks Prem. Lite II: 3.4         | 6 cu.ft / sack, 11.0 # / gal                              |  |  |
|   |  |                                 | <del> </del>                          | Tail-180 sacks Prem. Lite (High)          | tr.): 1.97 cu.ft / sack, 13.0 # / sal                     |  |  |
|   | <del></del>                            |                                 |                                       | <del> </del>                              |   |  |  |
| ECOPRE ADODOSED DO  | OCCANA Kananandi da da ana ai          |                                 | L                                     | one. If proposal is to drill or deepen di |   |  |  |
|   |  |                                 |                                       |   |   |  |  |
| ne & Signature:   | len a Danne                            | △ Cindi Da                      | nner, CPL Title: L                    | andman                                    | Date: <u></u>   |  |  |
| Number Assigned:  | 43-007-30788                           |                                 | Approval:                             |   | ONFINENTI   |  |  |

FILE COPY

# Range 7 East



Legend

**Drill Hole Location** 

**Brass Cap (Found)** 

Brass Cap (Searched for, but not found)

Calculated Comer

() GLO **GPS Measured** 

I. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

LAT / LONG 39°47'35"N 111°10'17"W

Location:

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

Basis of Bearing: THE BASIS OF BEARING IS GPS MEASURED.

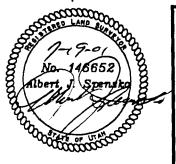
GLO Bearing: The Bearings indicated are per the recorded plat obtained FROM THE U.S. LAND OFFICE.

Basis of Elevation: BASIS OF ELEVATION OF 7722' BEING AT THE NORTHEAST SECTION CORNER OF SECTION 8, TOWNSHIP 12 SOUTH, RANGE 7 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE COLTON QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location: PROPOSED DRILL HOLE LOCATED IN THE SWI/4, NWI/4 OF SECTION 8, TI2S, R7E, S.L.B.&M., BEING 3308.0' NORTH AND 222.0' EAST FROM THE SOUTHWEST SECTION CORNER OF SECTION 8, TI2S, R7E, SALT LAKE BASE & MERIDIAN.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.





GRAPHIC SCALE

( IN FEET ) 1 inch = 1000 ft.



Talon Resources, Inc. 375 South Carbon Avenue, Suite 101 Price, Utah 84501 Ph: 435-637-8781 Fax: 435-636-8603

Prima Oil & Gas Company Scofield Christiansen #8-23 Section 8, 712S, R7E, S.L.B.&M. Carbon County, Utah

| M. MOON     | Checked By:<br>L.W.J./A.J.S. |  |  |
|-------------|------------------------------|--|--|
| Drawing Ho. | 07/18/01                     |  |  |
| A-1         | Sector-<br>1" = 1000*        |  |  |
| , ,         | Jels-No.                     |  |  |

# TALON RESOURCES, INC.

375 S. Carbon Ave. (A-10), Suite 101, Price, Utah 84501 Phone: (435) 637-8781 (435) 650-1403 Fax: (435) 636-8603

# Fax Transmittal Cover Sheet

Date: 08-23-01 Number of pages: 4

Message To: Chris Kierst - DOGM

Telephone Number: 1-801-538-5337 Fax Number: 1-801-359-3940

### Chris:

Following are updated plats reflecting changes and additions made during the August 21, 2001 onsite for the Scofield Christiansen 8-23.

Please contact me at your nearest convenience if you have any questions or additional changes that need to be made, or if you need a hard copy for your files.

Thank you,

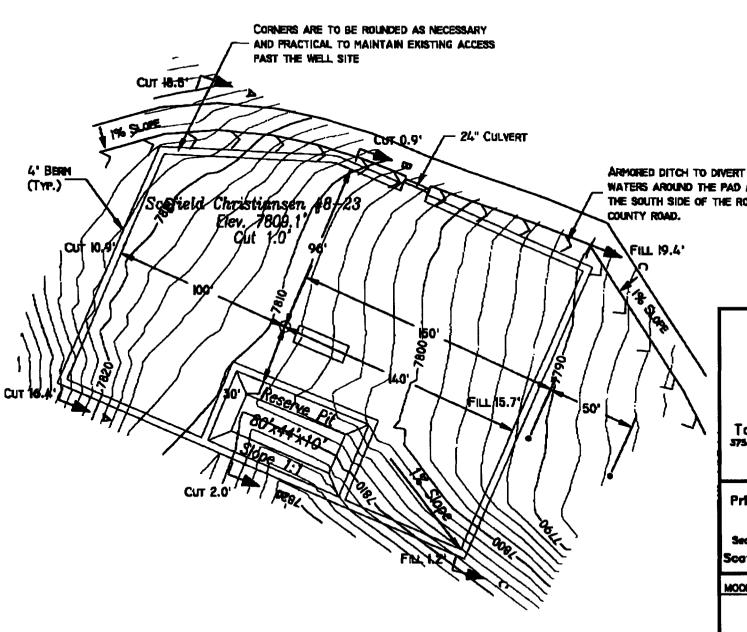
D. Hamilton

RECEIVED

AUG 23 2001

DIVISION OF OIL GAS AND MINING

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 7809.11 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 7808.6'



ARMORED DITCH TO DIVERT SURFACE WATERS AROUND THE PAD AND ALONG THE SOUTH SIDE OF THE ROAD TO THE



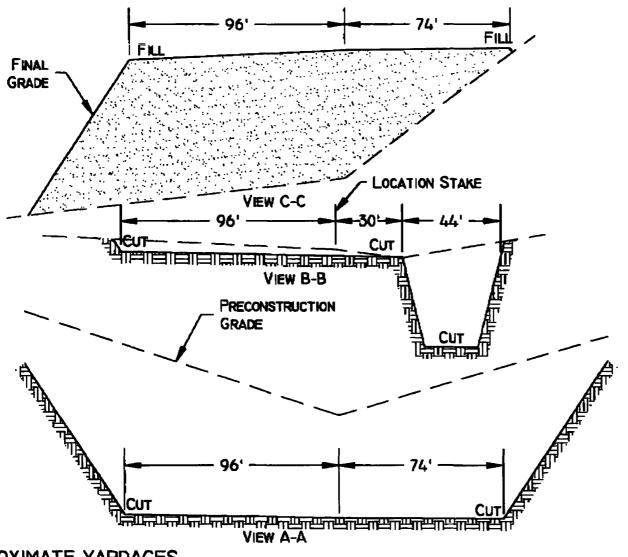


Talon Resources, Inc. 375 South Certen Avenue, Suite 181 Price, Utah 64801 Ph: 438-837-8781 Fax: 435-838-8603

Prima OX & Gas Company LOCATION LAYOUT Section B, T125, R7E, S.L.B.&M. Scoffeld Christiansen #8-23

| DOWN NO.     | L.W.J.   |
|--------------|----------|
| Drevelog No. | 07/15/01 |
| A-2          | Health C |

- 2 a 4



SLOPE = | |/2 : | (EXCEPT PIT) PIT SLOPE = | : |

X-Section

Scale

1"=40



Talon Resources, inc. 376 South Carbon Avenum, Suffe 101 Price, Uleh 84801 Phi: 435-537-6761 Fex: 435-636-8603

Prima Oli & Gas Company
TYPICAL CROSS SECTION
Section 6, T12S, R7E, S.L.B.&M.
Scoffeld Christiansen #8-23

| J. STANSFIELD | LW.J.    |  |
|---------------|----------|--|
| Deviley No.   | 08/22/01 |  |
| 6-7           | 1" = 40' |  |
| and 8 + 4     | J62      |  |

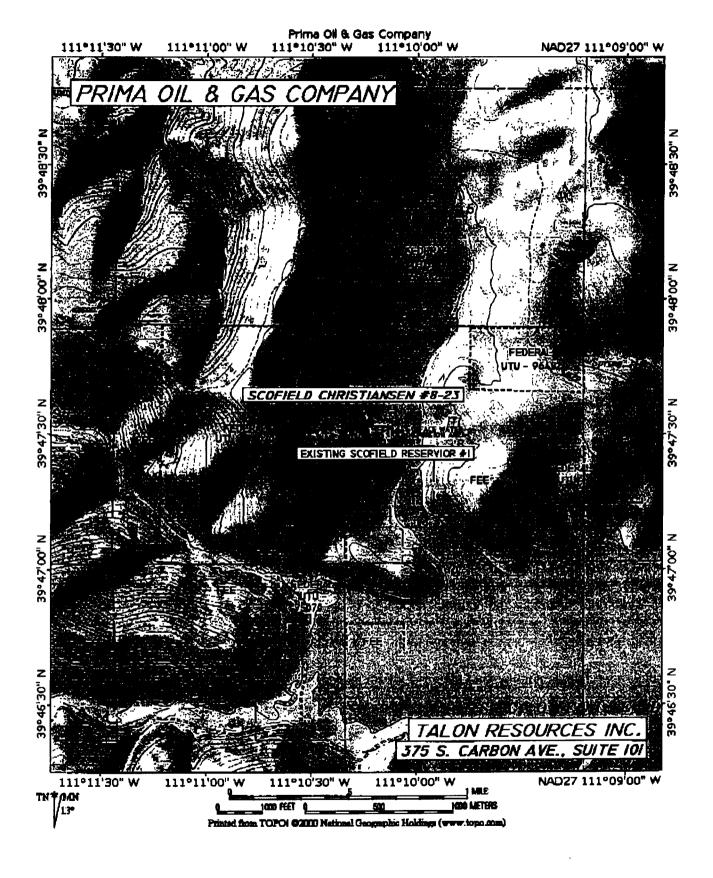
# **IPPROXIMATE YARDAGES**

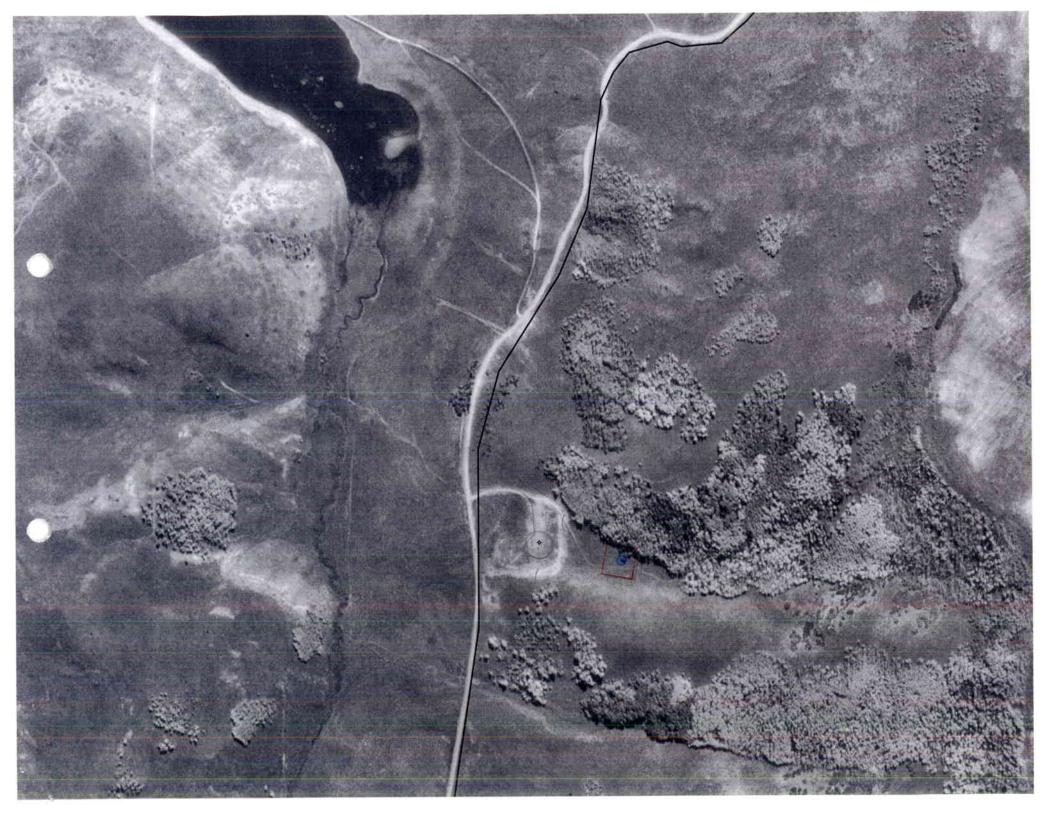
TU:

6")Topsoil Stripping = 750 Cu. Yds.

REMAINING LOCATION = 5,210 CU, YDS.

TOTAL CUT = 5,960 Cu. YDS. TOTAL FILL = 5,397 Cu. YDS.





Lisha: This is the surface use agreement for the following well: Prima Oil + Gos Scotield Christensen

# RECEIVED AUG 3 1 2001

OF

DIVISION OF OIL, CAS AND MINING

# SURFACE LAND USE AGREEMEN



## KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, Scofield Estates, LLC whose address is 3625 South Harrison Blvd., Ogden, UT 84403 (hereinafter referred to as GRANTOR, whether one or more), is the owner of the surface of the following described property located in Carbon County, Utah, to-wit:

# TOWNSHIP 12 SOUTH, RANGE 7 EAST, SLM Section 8: SW1/4NW1/4

### See Exhibits "A" and "B"

and Prima Oil & Gas Company whose address is 1099 18<sup>th</sup> Street, Suite 400, Denver, CO 80202, (hereinafter referred to as GRANTEE), owns leases covering oil, gas and mineral rights in, under and upon said property; and

WHEREAS, Grantee desires to build an access road, pipelines and appurtenances thereto, power lines, and a well site for the drilling of an oil, natural gas or coalbed degasification well on a portion of said property.

NOW THEREFORE, for and in consideration of the sum of ten dollars (\$10.00) and other valuable considerations, the receipt and sufficiency of which is hereby acknowledged, Grantor does hereby grant, sell and convey unto Grantee, its successors and assigns, the easement and right to use that portion of the herein above described property as may be necessary to conduct its drilling and production operations on said property, including the right to construct and maintain an oil, natural gas or coalbed methane gas well site; to construct, entrench, maintain, operate, replace, remove, protect, or abandon a pipeline or pipelines for water or gas with appurtenances thereto, including, but not limited to, valves, metering equipment, and cathodic equipment; to construct, maintain or cover up any pits or ponds necessary for drilling operations or water storage; to erect, maintain, relocate, replace or remove production facilities, including, but not limited to, pumps, compressors, separators, treaters, etc.; to construct, maintain, relocate, or abandon roads, and in connection therewith, a power line or power lines (said well sites, pipelines, appurtenances, valves, metering equipment, cathodic equipment, road and power lines being sometimes collectively called the "facilities") over, under and through the hereinafter described land as described in the attached Exhibits "A".

Grantor acknowledges the receipt and sufficiency of the above described consideration as payment for all damages to Grantor's trees, timber, growing crops, and other vegetation being cultivated on said land by the undersigned or their respective lessees, tenants or assigns caused by the construction, maintenance, protection, repair, placement or removal of the facilities as described in the attached exhibits and agrees that the payment and acceptance of the consideration set forth above is in full and complete payment, settlement, compromise and satisfaction of any and all of the above-mentioned losses, liabilities, claims, damages, demands and causes of action for any and all injuries and damage to the surface of the land hereinbelow described and to any appurtenances or improvements thereon, and for any and all claims including but not limited to loss of potential rental income, damages to and/or loss of livestock and wildlife, arising directly or indirectly in connection with the operations thereon by Grantee, its employees, agents, contractors, or subcontractors in connection with the above-mentioned operations of Grantee.

Grantee shall have the free right of ingress and egress to, over, upon, through and across said right-of-way and easement for any and all purposes that may be necessary or incidental to the maintenance of the right-of-way and easement, with the right to use existing roads which enter Grantor's property for the purpose of constructing, inspecting, repairing and maintaining the facilities and the removal or replacement of same at will, either in whole or in part, and the replacement of said pipeline or pipelines with either like or different size pipe. During temporary periods, Grantee may use such portions of the property along and adjacent to said right-of-way as may be necessary in connection with construction, maintenance, repair, removal or replacement of the facilities and if such use causes any damages to Grantor's lands outside of the above described right-of-way, Grantee shall pay Grantor for such damages.

Grantor reserves the right to the use and enjoyment of said property except for the purposes herein granted, but such use shall not hinder, conflict or interfere with Grantee's surface or subsurface rights hereunder or disturb its facilities. No road, reservoir, excavation, obstruction or structure shall be constructed, created or maintained on, over, along or within the lands covered by this right-of-way without Grantee's prior written consent.

If Grantee desires to remove any trees adjacent to said right-of-way at a later date which may be hazardous to the maintenance and use of the facilities on the right-of-way, Grantee shall first obtain approval from Grantor in writing, Grantor's approval not to be unreasonably withheld, and after receipt of such approval, may proceed to cut and remove such trees subject to payment of additional timber damages, if any are determined.

The undersigned hereby covenant and warrant that they are the surface owners of the above described land, and have the right to enter into this agreement.

FOR THE SAME CONSIDERATION RECITED ABOVE, Grantor and Grantee do hereby release, discharge and acquit the other from any and all liability, and shall indemnify the other against any and all claims and demands for damages, attorneys fees, injury or loss, existing now or done hereafter, to the surface of said lands or to any third parties arising out of or being the result of their or, their agents, contractors, licensees, permittees, successors and assigns own activities on or use of the subject property. However, such parties' potential liability under this paragraph to the other shall be limited to the acts and/or omission of it, or its predecessors, agents, contractors, licensees, permittees, successors, and assigns, and shall not include any acts and/or omissions of the other party, its agents, contractors, licensees, permittees, successors or assigns. Grantee shall reasonably maintain the subject property in order to prevent unnecessary deterioration of the surface and to keep the property in an unlittered condition.

TO HAVE AND TO HOLD the above described rights and easements, together with all rights necessary to operate and maintain the facilities over the right-of-way hereby granted unto the said Grantee, its successors and assigns, until such time as the right-of-way and easement is abandoned under the terms stipulated herein. The Grantee may assign the rights and easements herein granted, either in whole or in part, subject to the terms of this grant, and such rights and easements shall be covenants running with the land and be binding upon Grantor, Grantor's heirs, legal representatives and successors in title. Upon abandonment, at the request of the Grantor, Grantee shall execute and deliver to Grantor a document in recordable form evidencing said abandonment.

The making, execution and delivery of this document by Grantor has been induced by no representations, statements, warranties, or other agreements other than those herein expressed. This agreement embodies the entire understanding of the parties, and this instrument may be amended or modified only by subsequent written agreement of the parties.

This agreement is subject to Special Stipulations as described on the attached Exhibit "B". In the event of conflict between the terms of the main body of the Agreement and the Special Stipulations described on the attached Exhibit "B", the Special Stipulations control.

This agreement shall inure to the benefit of the parties hereto, their heirs, successors, and assigns and shall be a burden running with the land.

IN WITNESS WHEREOF, this Surface Land Use Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be and original instrument, but all such counterparts together shall constitute for all purposes one instrument executed as of the dates of the respective acknowledgments of the parties hereto, but being effective as of the 20th day of August, 2001.

| surposes one instrument executed as of the dates of the ut being effective as of the 20th day of August, 2001. |
|--|
| GRANTOR:   |
| SCOFIELD ESTATES, LLC  |
| By: Just F. Brown  |
| TIM: 84-1374368<br>Date: 3/7/01  |
| GRANTEE:   |
| PRIMA OIL & GAS COMPANY  |
| By:  |
| Date:  |
|  |

# ACKNOWLEDGMENT

| STATE OF UTAH COUNTY OF WEBER   |
|---|
| I, the undersigned authority, a Notary Public in and for said county and state, hereby certify that<br><u>Jared F. Brown</u> , whose name as <u>President of Scotied Estates</u> LLC is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, <u>he</u> , with full authority, executed the same voluntarily for and as the act of said corporation.   |
| Given under my hand and seal this 27 day of August, 2001.   |
| Given under my hand and seal this 27 day of August, 2001.    Compared to the seal this 27 day of August, 2001.   Compared |
| My Commission Expires: 4- 15-04   |
| Molecy Public  Melon of Wash  My Cornes, Septies Age 18, 9304  3425 Harrison Sivel Oppien UT 84403  |
| ACKNOWLEDGMENT  |
| STATE OF COLORADO<br>COUNTY OF DENVER   |
| I, the undersigned authority, a Notary Public in and for said county and state, hereby certify that , whose name as,  |
| is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument,, with full authority, executed the same voluntarily for and as the act of said corporation.   |
| Given under my hand and seal thisday of, 2001.  |
| Notary Public Residing at:  |
| My Commission Expires:  |

THE FOLLOWING DESCRIBED RIGHT-OF-WAYS
ARE LOCATED IN CARBON COUNTY
STATE OF UTAH
SECTION 8, T12S, R7E, S.L.B.&M.

Prima Oil & Gas Company Access & Utility Corridor Section 8, T12S, R7E, S.L.B.&M.

Range 7 East

(MEST 8268.5)

SCOFIELD CHRISTIANSEN
#8-23

CARBON COUNTY
ROAD

(WEST 8268.6)

NOT TO SCALE

PROPERTY LINE

1/4 SECTION LINE

**POINT OF BEGINNING** 

SECTION CORNER FOUND

SECTION LINE

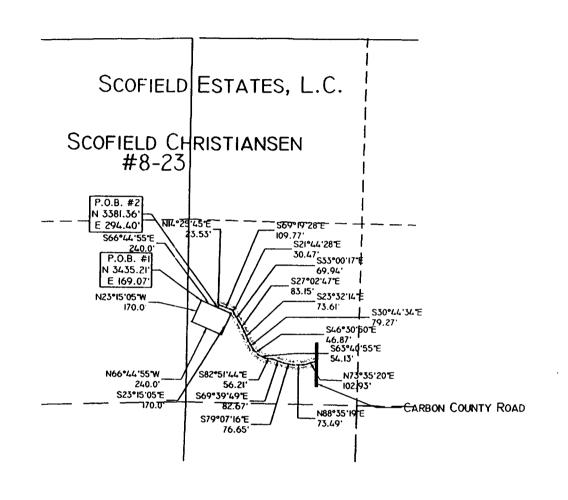
**40 ACRE LINE** 

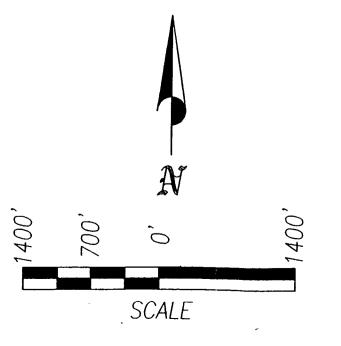
**ROW BOUNDARY** 

**LEGEND** 

MOOOOOOW) GLO

[NOO'00'00W] QPS - SURVEY





Proposed For:
Prima Oil & Gas Company
Access & Utility Carridor
Proposed By:

A 40' PERMANENT RICHT-OF-WAY, 20' ON EACH SIDE 20' PERM ROW
OF THE FOLLOWING DESCRIBED CENTERLINE
TEMPORARY USE PERMIT, 10' ON EACH SIDE
OF THE PERMANENT RICHT-OF-WAY
10' 155P. USE

SECTION 8, T12S, R7E, S.L.B.&M. SCOFIELD ESTATES, L.C.

#### P.O.B. #1 - SCOFIELD CHRISTIANSEN #8-23

BEGINNING AT A POINT ON THE NORTHWEST CORNER OF WELL SCOFFELD CHRISTIANSEN #8-23, SAID POINT BEING 3435.21' NORTH AND 169.07' EAST OF THE SOUTHWEST CORNER OF SECTION 8 T12S, R7E, S.L.B.&M. THENCE RUNNING S66'44'55'E, 240.0'; THENCE S2375'05'E, 170.0'; THENCE N66'44'55'W, 240.0'; THENCE N2375'05'W, 170.0; MORE OR LESS TO P.O.B. #1.

#### P.O.B. #2 - SCOFIELD CHRISTIANSEN #8-23

BEGINNING AT A POINT ON THE NORTHSIDE OF WELL SITE SCOFIELD CHRISTIANSEN 18-23, SAID POINT BEING 3381.36' NORTH AND 294.40' EAST OF THE SOUTHWEST CORNER OF SECTION 8, T12S, R7E, S.L.B.&M. THENCE RUNNING N1425'45'E, 23.53'; THENCE 65919'28'E, 109.77'; THENCE 52'14'28'E, 30.47'; THENCE 530'01'7'E, 69.94'; THENCE S27'02'47'E, 83.15'; THENCE S23'32'14"E, 73.61'; THENCE S30'44'34"E, 79.27'; THENCE S46'30'50'E, 46.87'; THENCE S33'40'55'E, 54.13'; THENCE S82'51'44'E, 66.21'; THENCE S69' 39'49'E, 82.67'; THENCE S79'07'16'E, 76.65'; THENCE S82'51'45', 67.49'; THENCE N73'35'20'E, 102.93'; MORE OR LESS TO A POINT ON THE CARBON COUNTY ROAD.

I.326 ACRE

TOTAL LENGTH = 1782.69'

Surveyor's Certificate: I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the

state of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision (as shown hereon.

Signature

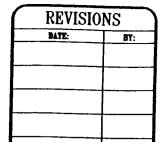
Date



NOTES

I. THIS IS A CENTERLINE SURVEY OF THE ACCESS
CORRIDOR ONLY AND DOES NOT REFLECT OR DELINATE
PROPERTY BOUNDARIES.

| DESTINATION OF DOCUMENT |  |                 |  |  |
|-------------------------|--|-----------------|--|--|
| Company / Agency        | Office Location                                      | Submission Date |  |  |
| Frima Oli & Gas Company | 1099 18th Street Sulte 400<br>Denver, Colorado 80202 |                 |  |  |
| icatioid Estatos, L.C.  | 3425 South Harrison Blvd.<br>Ogden, Utah 84403       |                 |  |  |





Talon Resources
Technical
Group

375 South Carbon Ave. Price, Utah 84501 Phone (435)637-8781 FAX (435)636-8603

PRIMA OIL & GAS COMPANY ACCESS & UTILITY CORRIDOR SECTION 8, T12S, R7E, S.L.B. & M.

DRAWN BY:

M. MOON

CHECKED BY:

LWJ / AJS

DATE:

07/26/01

SCALE:

1" = 1400'

JOB NO.

362

DRAWN BY:

A — 1

# EXHIBIT "B" SPECIAL STIPULATIONS

Attached to and made a part of that certain Surface Land Use Agreement effective the 20th day of August, 2001, by and between Scofield Estates, LLC, as Grantor, and Prima Oil & Gas Company, as Grantee.

- 1. Each pipeline and power line installed hereunder shall be constructed not less than five (5) feet below the surface elevation of said land at the time of construction, provided that subsoil and subsurface conditions will permit a pipeline or power line to be constructed at this depth using normal construction methods. In the event that rock or other subsoil or subsurface conditions, including other previously laid pipe or other lines, do not permit a pipeline or power line to be constructed at this depth by normal construction methods, each pipeline or power line constructed hereunder shall be constructed at the lowest depth above the five (5) feet minimum depth specified above that normal construction methods will permit. It is agreed and understood that there is no obligation on the part of Grantee to bury power lines. Grantor, its successors or assigns, shall give reasonable notice to Grantee before crossing a pipeline or power line at locations other than existing roadways so that Grantee may instruct Grantor on what measures must be taken by Grantor to protect such facilities from damage.
- 2. It is hereby understood and agreed that by the execution of this agreement, Grantee does not serve to waive, forfeit, or limit any rights it may have by virtue of the mineral Lease(s) active on the subject properties and shall not be deemed as a limitation on additional surface use if further mineral development is contemplated. If the need for such additional surface use arises, Grantor and Grantee agree to negotiate in good faith to reach an agreement substantially similar in form to this agreement for such use.
- 3. Grantee shall have the right at any time, but not the necessity, to remove or abandon in place all machinery, fixtures, power lines and pipelines placed on or in said land, including the right to draw and remove casing. Upon cessation of its operations on the subject lands, Grantee shall restore the suface of the lands to as near its original condition as possible and shall reseed the lands with a grass mixture specified by Grantor. In no event shall Grantor be due any further damages for Grantee's efforts to restore the surface of the subject lands.
- 5. All roads shall be constructed with appropriate ditches and drain culverts to allow proper drainage off of said roads and also to prevent water from backing up along said roads, all at the sole expense of Grantee. Grantee shall use its best efforts to keep dust from the road to a minimum.
- 6. In the event Grantee achieves commercial production from the well drilled pursuant to this agreement Grantee agrees to install an earthen berm on the "downhill side of the well site and/or plant aspen trees on the berm or downhill side of the well site for the purpose of reducing the visibility of the well site.

SIGNED FOR IDENTIFICATION

| By: This: Mary Brown    | 1 |
|-------------------------|---|
|                         |   |
| PRIMA OIL & GAS COMPANY |   |
| <b>.</b>                |   |
| By:                     |   |



State of Utah

Department of Natural Resources

ROBERT L. MORGAN Executive Director

Division of Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

August 3, 2004

Susan Miller Prima Oil & Gas Company 1099 18<sup>th</sup> Ste. 400 Denver, CO 80202

Re: <u>APD Rescinded – Scofield Christiansen 8-23, Sec. 8, T. 12S, R. 7E</u> Carbon County, Utah API No. 43-007-30788

Dear Ms. Miller:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 4, 2001. On August 19, 2002 and on August 6, 2003 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 3, 2004.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Whitney

Engineering Technician

cc: Well File

Gil Hunt, Technical Services Manager



| Operator:                       |       | Prima Oil & Gas Company             |  |  |
|---------------------------------|-------|-------------------------------------|--|--|
| Well Name & Number              |       | Scofield Christiansen 8-23          |  |  |
| <b>API Number:</b> 43-007-30788 |       | 43-007-30788                        |  |  |
| Lease:                          |       | Fee                                 |  |  |
| Location: <u>SW NW</u>          | Sec8_ | T. <u>12 South</u> R. <u>7 East</u> |  |  |

### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

## 2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

## 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
- 5. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.



August 12, 2002

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, UT 84114

Attention: Diana Mason

Re: Scofield Christiansen 8-23 Sundry

Dear Diana,

I have recently started working on permitting in Utah, so please any comments or assistant you can give me, I would really appreciate.

Enclosed is a sundry notice for the Scofield Christiansen 8-23 requesting an extension of the APD expiring in September.

DIV OF OIL, GAS & MINING

Thank you in advance and should you have any questions, I can be reached at 303-297-2300.

Sincerely,

Jan Kajiwara

**Operations Assistant** 

An Kajiwa

Enc

| STATE OF UTAH  | FORM 9                              |  |
|--|-------------------------------------|--|
| DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING  |                                     | 5. LEASE DESIGNATION AND SERIAL NUMBER:                |
| SUNDRY NOTICES AND REPORTS ON WE   | LLS                                 | B. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A              |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such prop | lepth, reenter plugged wells, or to | '. UNIT OF CA AGREEMENT NAME:<br>N/A                   |
| 1. TYPE OF WELL OIL WELL GAS WELL OTHER  | · · ·                               | B. WELL NAME and NUMBER:<br>SCOFIELD CHRISTIANSEN 8-23 |
| 2. NAME OF OPERATOR: PRIMA OIL & GAS COMPANY   |                                     | ). API NUMBER:<br>007-30788                            |
| 3. ADDRESS OF OPERATOR: 1099 18th St., #400  | PHONE NUMBER: 1<br>(303) 297-2300   | IO. FIELD AND POOL, OR WILDCAT: WILDCAT                |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1972' FNL, 222' FWL   | C                                   | COUNTY: CARBON   |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 12S 7E   |                                     | STATE:<br>UTAH   |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATUR  | E OF NOTICE, REPORT                 | F, OR OTHER DATA                                       |
| TYPE OF SUBMISSION   | TYPE OF ACTION                      |  |
| NOTICE OF INTENT ACIDIZE DEEPER Submit in Duplicate) ALTER CASING FRACTU   | RE TREAT                            | REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL |
|  | NSTRUCTION<br>OR CHANGE             | TEMPORARILY ABANDON TUBING REPAIR                      |
| CHANGE TUBING PLUG A   | ID ABANDON                          | VENT OR FLARE  |
|  | CK<br>CTION (START/RESUME)          | WATER DISPOSAL WATER SHUT-OFF                          |
|  | ATION OF WELL SITE                  | OTHER: EXTENSION REQUEST                               |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details  |                                     | etc.   |
| PRIMA OIL & GAS IS REQUESTING A ONE YEAR EXTENSION OF  |                                     |  |
|  |                                     |  |
|  |                                     |  |
|  |                                     |  |
|  |                                     | DIV OF OIL, GAS & MINING                               |
|  |                                     |  |
| NAME (PLEASE PRINT) JAN KAJIWARA   | OPERATIONS ASS                      | SISTANT  |
| SIGNATURE RELIGION   | 8/12/2002                           |  |

(This space for State use only)

1-25-03 (PAY)

(See Instructions on Reverse Side)

Approved by the Utah Division of Oil, Gas and Mining

# Application for Permit to Drill Request for Permit Extension Validation (this form should accompany the Sundry Notice requesting permit extension)

43-007-30788

API:

| Well Name: SCOFIELD CHRISTIANSEN 8-23 Location: 1972' FNL and 222' FWL, SWNW Sec. 8, T12S, R7E Company Permit Issued to: Prima Oil & Gas Company Date Original Permit Issued: 9/4/2001  |
|---|
| The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. |
| Following is a checklist of some items related to the application, which should be verified.  |
| If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes \( \subseteq No \( \subseteq \) Ownership has not changed.  |
| Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑  |
| Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑   |
| Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No☑   |
| Has the approved source of water for drilling changed? Yes□No☑  |
| Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑   |
| Is bonding still in place, which covers this proposed well? Yes⊠No□   |
| Suar Miller 8/4/2003  |
| Signature Date  |
| Title: Operations Tech.   |
| Representing: Prima Oil & Gas Company   |



August 4, 2003

Via US Mail

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Ut 84114-5801
Attn: Ms. Diana Mason

Re: APD Extension

**Sundry Notice and Request for Permit Extension Validation** 

Dear Ms. Mason:

Enclosed please find a copy of the referenced Sundry Notice along with a completed Permit Extension Validation form for the following well.

# SCOFIELD CHRISTIANSEN 8-23 API No. 43-007-30788

Thank you in advance for your cooperation and please feel free to contact me if you have any questions.

Sincerely,

PRIMA OIL AND GAS COMPANY

Muller

Susan Miller

Operations Tech.

**SMM** 

**Enclosures** 

cc: Jan Kajiwara, Prima Oil & Gas

Carol Myers, Prima Oil & Gas Lisa Morris, Prima Oil & Gas

Cindi Danner-Weide, Prima Oil & Gas

RECEIVED

AUG 0 6 2003

DIV. OF OIL, GAS & MINING

CONFIDENTIAL

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

| DIVISION OF OIL, GAS AND MINING  | 5. LEASE DESIGNATION AND SERIAL NUMBER:  |
|--|--|
| SUNDRY NOTICES AND REPORTS ON V  | NELLS 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  |
| SONDIN NOTICES AND NET ONTO ON T   | n/a  |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-<br>drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such | hole depth, reenter plugged wells, or to   |
| 1 TYPE OF WELL   | 8. WELL NAME and NUMBER:   |
| OIL WELL GAS WELL OTHER  | Scofield Christiansen 8-23   |
| 2. NAME OF OPERATOR: Prima Oil & Gas Company   | 9. API NUMBER:<br>007-30788  |
| 3. ADDRESS OF OPERATOR:  | PHONE NUMBER: 10. FIELD AND POOL, OR WILDCAT:  |
| 1099 18th St., Ste. 400 <sub>CITY</sub> Denver STATE CO ZIP 80202  | (303) 297-2300 Wildcat   |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1972' FNL, 222' FWL   | соинту: Carbon   |
| ,  |  |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 8 12S 7E   | STATE: UTAH  |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATI   | URE OF NOTICE, REPORT, OR OTHER DATA   |
| TYPE OF SUBMISSION   | TYPE OF ACTION   |
| NOTICE OF INTENT   | PEN REPERFORATE CURRENT FORMATION  |
|  | ACTURE TREAT SIDETRACK TO REPAIR WELL  |
| Approximate date work will start: CASING REPAIR NEV  | N CONSTRUCTION TEMPORARILY ABANDON   |
| CHANGE TO PREVIOUS PLANS OPI   | ERATOR CHANGE TUBING REPAIR  |
| CHANGE TUBING PLU  | JG AND ABANDON VENT OR FLARE   |
| SUBSEQUENT REPORT CHANGE WELL NAME PLI (Submit Original Form Only)   | JG BACK WATER DISPOSAL   |
| CHANGE WELL STATUS PRO   | DDUCTION (START/RESUME) WATER SHUT-OFF   |
| Date of work completion:  COMMINGLE PRODUCING FORMATIONS REC   | CLAMATION OF WELL SITE OTHER: Extension Request  |
| CONVERT WELL TYPE REC  | COMPLETE - DIFFERENT FORMATION   |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent de   | etails including dates, depths, volumes, etc.  |
| Prima Oil & Gas Company respectfully requests a 1-year extension   | n of the APD for the subject well  |
| Time on a bab company respectively requeste a Type oxionere  |  |
| Attached is a completed Request for Extension Validation form.   |  |
|  |  |
|  |  |
|  |  |
| Mariana<br>Services  |  |
| Approved by the Utah Division of Oil, Gas and Ministry   | _  |
| Utah Division  |  |
| Oil, Gas and Minit   | and the second of the second o |
| Date: Car of   |  |
| 150-03   | COPY SENT TO CHEMISTON   |
| Halaal   | Dollar   |
|  |  |
| $\mathcal{M}$  |  |
| NAME (DI EASE DEINIT) Susan Miller   | Operations Tech.   |
| NAME (PLEASE PRINT) GUSATI WITHEI  | 111 111 111 1111 1111 1111 1111 1111 1111  |
| SIGNATURE MHW  | DATE 8/4/2003  |
|  | HECEIVED   |
| (This space for State use only)  | Allo   |
|  | AUG 0 6 2003   |

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING



# State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Michael (). Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Sait Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

September 4, 2001

Prima Oil & Gas Company 1099 18th St., Ste. 400 Denver, CO 80202

Re:

Scofield Christiansen 8-23 Well, 1972' FNL, 222' FWL, SW NW, Sec. 8, T. 12 South,

R. 7 East, Carbon County, Utah

### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30788.

Sincerely,

John R. Baza

Associate Director

dm

Enclosures

cc:

Carbon County Assessor